A/63/5/Add.1

United Nations

United Nations Development Programme

Financial report and audited financial statements

for the biennium ended 31 December 2007 and

Report of the Board of Auditors

General Assembly
Official Records
Sixty-third Session
Supplement No. 5A

General Assembly
Official Records
Sixty-third Session
Supplement No. 5A

United Nations Development Programme

Financial report and audited financial statements

for the biennium ended 31 December 2007

and

Report of the Board of Auditors

United Nations • New York, 2008

Note

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

ISSN 0251-8198

[23 July 2008]

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30 April 2008

Pursuant to financial regulation 26.01, we have the honour to submit the financial statements of the United Nations Development Programme (UNDP) for the biennium ended 31 December 2007, which we hereby approve.

Copies of these financial statements are also being transmitted to the Advisory Committee on Administrative and Budgetary Questions.

We, the undersigned, acknowledge that:

The management is responsible for the integrity and objectivity of the financial information included in these financial statements.

The financial statements have been prepared in accordance with the United Nations system accounting standards and include certain amounts that are based on the management's best estimates and judgement.

Accounting procedures and related systems of internal control provide reasonable assurance that assets are safeguarded, that the books and records properly reflect all transactions and that, overall, policies and procedures are implemented with an appropriate segregation of duties. UNDP internal auditors continually review the accounting and control systems. Further improvements are being implemented in specific areas.

The management provided the United Nations Board of Auditors and UNDP internal auditors with full and free access to all accounting and financial records.

The recommendations of the United Nations Board of Auditors and UNDP internal auditors are reviewed by the management. Control procedures have been revised or are in the process of being revised, as appropriate, in response to those recommendations.

We each certify that, to the best of our knowledge, information and belief, all material transactions have been properly charged in the accounting records and are properly reflected in the appended financial statements.

(*Signed*) Kemal **Derviş**
Administrator

(*Signed*) Akiko **Yuge**
Assistant Administrator
Bureau of Management

The Chairman of the Board of Auditors
United Nations
New York

30 June 2008

I have the honour to transmit to you the report of the Board of Auditors on the financial statements of the United Nations Development Programme for the biennium ended 31 December 2007.

(*Signed*) Philippe **Séguin**
First President of the Court of Accounts of France
Chairman, United Nations Board of Auditors

The President of the General Assembly
of the United Nations
New York

Chapter I

Financial report for the biennium ended 31 December 2007

1. The Administrator has the honour to submit his financial report for the biennium ended 31 December 2007, together with the audited financial statements of the United Nations Development Programme (UNDP) for the biennium ended 31 December 2007 and the report of the Board of Auditors. This submission is made in conformity with the Financial Regulations of the United Nations Development Programme. The financial statements consist of statements and schedules, accompanied by notes, which are an integral part of the financial statements, and include all trust funds established by the Administrator as well as all funds established by the General Assembly and administered by UNDP.

2. The UNDP financial statements incorporate expenditure data obtained from the executing agents. As far as possible, the data are obtained from the agents' audited statements or, when such statements are not available at the time of the year-end closing of the UNDP accounting records, either from the agents' statements as submitted for audit or from the agents' unaudited statements.

3. As at the date of preparation of the present financial statements, statements as submitted for audit or unaudited statements were provided by the following executing agents:

Asian Development Bank

Department of Economic and Social Affairs of the United Nations

Economic Commission for Africa

Economic Commission for Europe

Economic Commission for Latin America and the Caribbean

Economic and Social Commission for Asia and the Pacific

Economic and Social Commission for Western Asia

Food and Agriculture Organization of the United Nations

International Atomic Energy Agency

International Bank for Reconstruction and Development

International Civil Aviation Organization

International Labour Organization

International Maritime Organization

International Monetary Fund

International Telecommunication Union

International Trade Centre

United Nations for Human Settlements Programme (UN-Habitat)

United Nations Conference on Trade and Development

United Nations Educational, Scientific and Cultural Organization

United Nations Industrial Development Organization

United Nations Institute for Training and Research

Universal Postal Union

World Health Organization

World Intellectual Property Organization

World Meteorological Organization

World Tourism Organization

A. Changes in accounting practices and policies in the biennium

Accounting policies

4. A summary of significant accounting policies applied in the preparation of the financial statements is provided in note 2 to the financial statements. Overall policies are the same as those applied in the financial statements as at 31 December 2005. Changes in accounting policies, if any, are disclosed appropriately in the aforementioned note 2. UNDP has disclosed separately on the balance sheet a new category called "Funds held in trust". UNDP is responsible for administering several funds such as the Spain-UNDP Millennium Development Goals Achievement Fund, the Peacebuilding Fund, the United Nations Development Group Iraq Trust Fund and the United Nations Development Group Lebanon Recovery Fund. UNDP has reported the receipt of monies in connection with these funds as "cash and investments — funds held in trust". See note 9 (b) for information on the corresponding assets, where applicable. See note 12 (c) for information on corresponding liabilities, which are recorded by UNDP as "deferred liability — funds held in trust" since UNDP will be required to transfer monies to specified recipients or for specified activities on the basis of agreements.

Presentation of accounts

5. The presentation format of the UNDP financial statements follows the recommendation by the Administrative Committee on Coordination, now the United Nations System Chief Executives Board for Coordination, on the common inter-organizational accounting standards and harmonized presentation of financial statements.

6. In addition, in accordance with the Executive Board's decision 97/6 harmonizing the budget presentation for UNDP, the United Nations Children's Fund (UNICEF) and the United Nations Population Fund (UNFPA), the presentation format distinguishes UNDP regular resources from its other resources (cost-sharing, Government cash counterpart contributions, trust funds established by UNDP, reimbursable support services activities and other miscellaneous activities) and from the activities of the funds established by the General Assembly and administered by UNDP (the United Nations Capital Development Fund (UNCDF) and United Nations Development Fund for Women (UNIFEM)).

7. In the biennium 2006-2007, UNDP mobilized contributions of $10 billion overall, of which 20.3 per cent related to regular resources activities, 47.7 per cent to cost-sharing, 23.3 per cent to trust funds, 6.3 per cent to reimbursable support

services and miscellaneous activities and 2.4 per cent to UNDP-administered funds established by the General Assembly.

8. Total expenditure amounted to $9.6 billion, 84 per cent of which ($8 billion) was spent on programme/project activities and support costs paid to other United Nations agents, 13.8 per cent ($1.3 billion) for the biennial support budget, 1 per cent ($94.8 million) for expenditure legislated through programming arrangements and the remaining 1.2 per cent ($119.3 million) on miscellaneous costs. Miscellaneous costs include a $62 million provision for after-service health insurance, which is explained further in note 17 (c) to the financial statements.

9. Income and expenditure for the biennium are summarized in figure I.1 and table I.1.

Figure I.1
Summary of income and expenditure for the biennium ended 31 December 2007
(Millions of United States dollars)

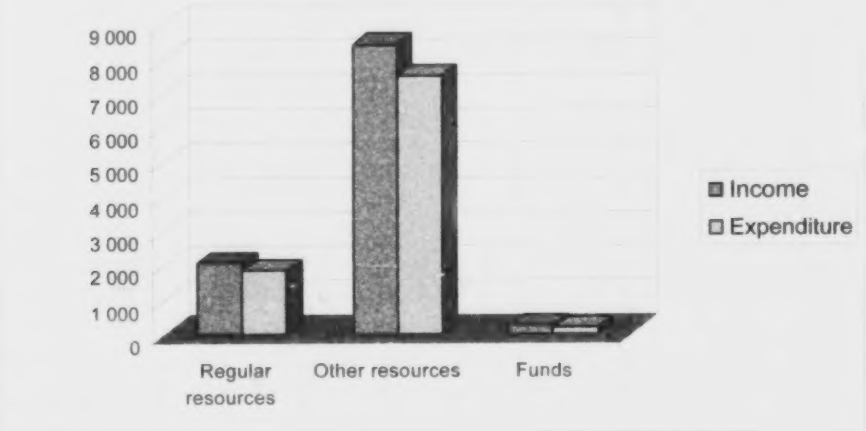


Table I.1

Combined income and expenditure for the biennium ended 31 December

(Millions of United States dollars)

	Regular resources		Other resources		Funds		Total[a]	
	2007	2005	2007	2005	2007	2005	2007	2005
Income								
Contributions, net	2 024.5	1 747.9	7 711.1	6 979.4	226.4	146.0	9 962.0	8 873.3
Interest income	21.7	27.2	311.5	115.8	10.5	4.5	343.7	147.5
Other income	32.6	44.1	392.9	284.6	16.8	10.8	442.3	339.5
Total income	**2 078.8**	**1 819.2**	**8 415.5**	**7 379.8**	**253.7**	**161.3**	**10 748.0**	**9 360.3**
Expenditure								
Programme (including programme support — implementing agents)	1 069.3	959.2	6 782.9	5 581.6	169.1	115.7	8 021.3	6 656.5
Biennial support budget	634.1	566.8	659.5	502.3	22.2	29.9	1 315.8	1 099.0
Support to resident coordinator	25.7	27.9	35.1	17.2			60.8	45.1
Development support services	12.4	9.4	10.8	7.5			23.2	16.9
UNDP Economist Programme	10.9	21.5					10.9	21.5
Other expenditure	115.9	99.6	3.4			0.2	119.3	99.8
Total expenditure	**1 858.3**	**1 684.4**	**7 491.7**	**6 108.6**	**191.3**	**145.8**	**9 551.3**	**7 938.8**
Excess (shortfall) of income over expenditure	210.5	134.8	923.8	1 271.2	62.4	15.5	1 196.7	1 421.5
Net excess (shortfall) of income over expenditure	210.5	134.8	923.8	1 271.2	62.4	15.5	1 196.7	1 421.5
Unexpended resources								
Opening balance	237.5	153.8	3 114.3	1 892.4	83.5	68.2	3 435.3	2 114.4
Transfers, refunds and savings	-71.0	-51.1	-31.5	-49.2	-6.8	-.3	-109.3	-100.6
Closing balance	**377.0**	**237.5**	**4 006.6**	**3 114.3**	**139.1**	**83.5**	**4 522.7**	**3 435.3**

[a] Aggregate totals only. Not consolidated.

B. Regular resources

Income

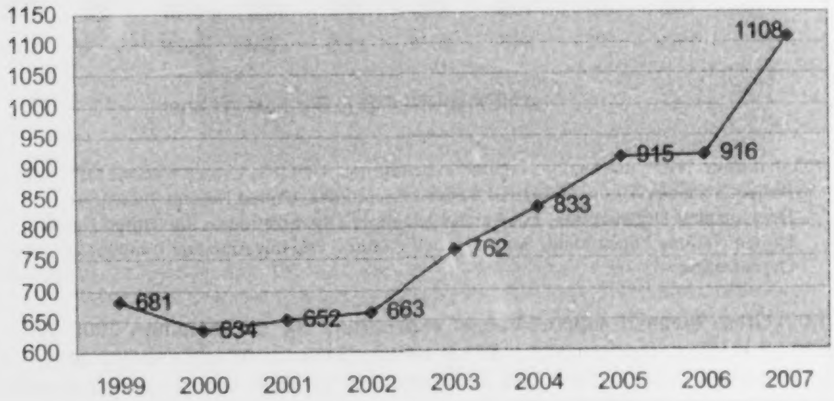
10. Voluntary contributions increased by 15.7 per cent ($277.2 million) in comparison to the previous biennium.

11. The average rate of return on investments was around 4.91 per cent (2.6 per cent in 2004-2005). Other income comprised mainly exchange gains and losses.

Figure I.2

Contributions for regular resources activities as at 31 December

(Millions of United States dollars)



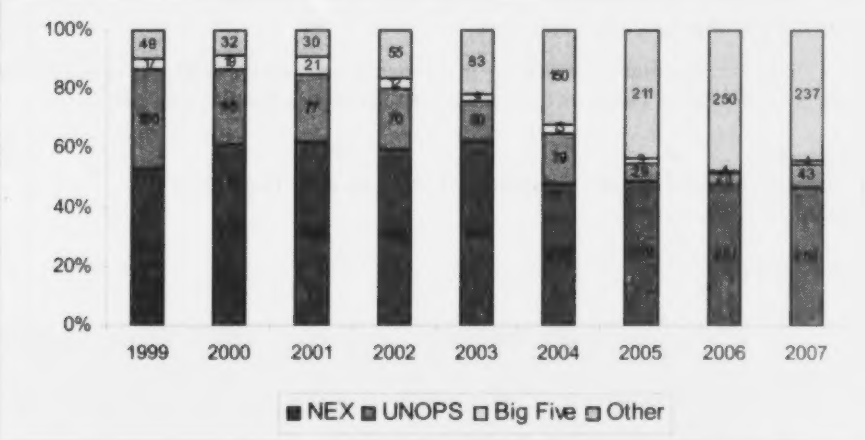
Expenditure

12. Programme expenditure increased by $110 million, from $959 million in 2004-2005 to $1,069 million in 2006-2007. National execution remained the leading modality for project execution, in keeping with UNDP policy. In 2006-2007, recipient countries executed $502.5 million or 47 per cent of programme expenditure for core resources. This compared to $465 million or 49 per cent of programme expenditure for core resources for the biennium 2004-2005.

Figure I.3

Expenditure by execution modality for the 12 months ended 31 December

(Millions of United States dollars)



Abbreviations: NEX, nationally executed expenditures; UNOPS, United Nations Office for Project Services; Big Five, United Nations Secretariat, United Nations Industrial Development Organization, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization and International Labour Organization.

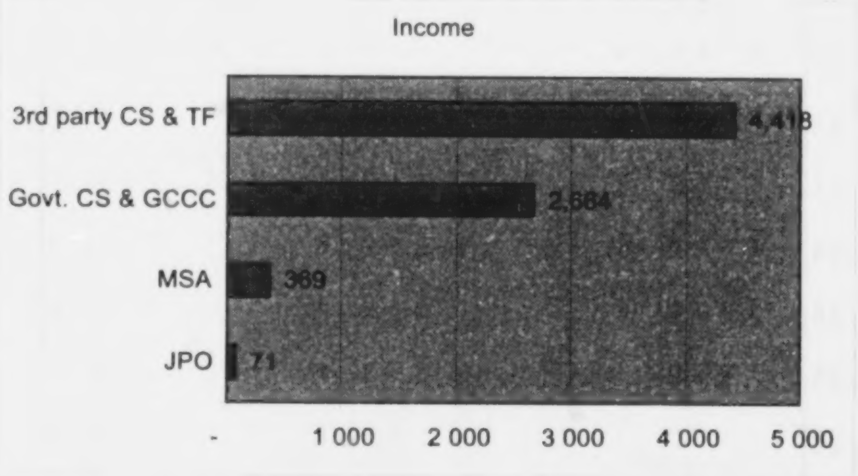
13. Gross biennial support budget expenditure for the biennium 2006-2007 was $694.9 million, representing a $71.9 million increase in expenditure compared to $623 million in 2004-2005. The net 2006-2007 biennial support budget expenditure was $634 million, $23.8 million below the approved 2006-2007 net budget, which represents overall savings of 3.6 per cent. By appropriation group, 57 per cent was spent on programme support activities (58 per cent in 2004-2005), 19.6 per cent on management and administration (20 per cent in 2004-2005) and 22 per cent on support to operational activities of the United Nations system (22 per cent in 2004-2005). In total, 63.5 per cent of expenditure was related to country offices and the remaining 36.5 per cent to headquarters locations, including the United Nations Volunteers (UNV) and the Inter-Agency Procurement Services Office (IAPSO).

Unexpended resources

14. There was an increase in unexpended regular resources to $377 million as at 31 December 2007, compared to $237.5 million as at 31 December 2005.

C. Other resources activities

Figure I.4
Income for other resources activities for the biennium ended 31 December 2007
(Millions of United States dollars)



Abbreviations: CS, cost-sharing; TF, trust fund; GCCC, Government cash counterpart contributions; MSA, management service agreements; JPO, Junior Professional Officers.

15. Other resources income overall increased by $1 billion or 14 per cent. Income to trust funds increased by $8.5 million (0.4 per cent). Cost-sharing income increased by $685.4 million (16 per cent).

Table I.2
Other resources activities: statement of income and expenditure for the biennium ended 31 December 2007

(Millions of United States dollars)

	UNDP cost-sharing		Govt. cash counterpart contributions		Trust funds established by UNDP		Management services agreement		Junior Professional Officers		Reserve for field accommodation		Reimbursable support services		Special activities		UNV		Eliminations		Total	
	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005
Income																						
Contributions	4 756	4 184	—	—	2 325	2 360	369	234	71	63	—	—	—	—	114	76	76	62	—	—	7 711	6 979
Interest income	174	63	1	1	80	36	21	3	—	—	—	—	28	10	1	—	6	2	—	—	311	115
Other income	3	—	—	—	2	3	—	—	—	—	2	2	500	373	115	75	19	16	(248)	(184)	393	285
Total income	**4 933**	**4 247**	**1**	**1**	**2 407**	**2 399**	**390**	**237**	**71**	**63**	**2**	**2**	**528**	**383**	**230**	**151**	**101**	**80**	**(248)**	**(184)**	**8 415**	**7 379**
Expenditure																						
Programme	4 355	3 517	—	—	2 004	1 755	271	180	57	52	—	—	—	—	24	14	52	48	—	—	6 763	5 566
Programme support costs	—	—	—	—	—	—	—	—	6	6	—	—	—	—	—	—	14	9	—	—	20	15
Development advisory services	—	—	—	—	—	—	—	—	—	—	—	—	—	—	11	8	—	—	—	—	11	8
Programme support to Resident Coordinators	—	—	—	—	—	—	—	—	—	—	—	—	—	—	35	17	—	—	—	—	35	17
Biennial support budget — net	171	124	—	—	110	94	—	—	—	—	1	1	470	364	140	91	16	13	(248)	(184)	660	503
Other expenditure	—	—	—	—	3	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3	—
Total expenditure	4 526	3 641	—	—	2 117	1 849	271	180	63	58	1	1	470	364	210	130	82	70	(248)	(184)	7 492	6 109
Excess (shortfall) of income/expenditure	407	606	1	1	290	550	119	57	8	5	1	1	58	19	20	21	19	10	—	—	923	1 270
Movement — Saving on prior biennium	—	—	—	—	—	—	—	—	—	—	0	0	—	1	—	1	—	—	—	—	0	2
Movement — To/from reserves	—	—	—	—	—	—	—	—	—	—	—	—	(19)	(9)	—	—	—	—	—	—	(19)	(9)
Movement — Transfers and refunds	8	15	—	(7)	(23)	(42)	(7)	(6)	—	—	—	—	5	1	4	1	—	(4)	—	—	(13)	(42)
Fund balances, 1 January	1 589	968	13	19	1 111	603	108	57	15	10	(2)	(3)	185	173	41	18	55	49	—	—	3 115	1 894
Fund balances, 31 December	**2 004**	**1 589**	**14**	**13**	**1 378**	**1 111**	**220**	**108**	**23**	**15**	**(1)**	**(2)**	**229**	**185**	**65**	**41**	**74**	**55**	—	—	**4 006**	**3 115**

Cost-sharing

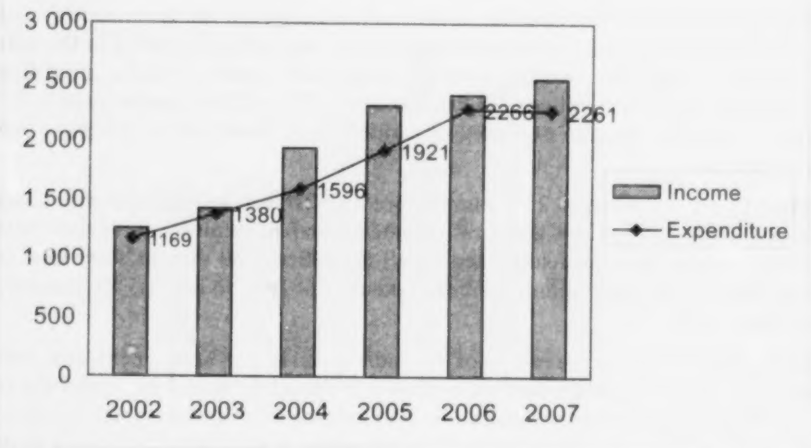
16. The cost-sharing funding modality remained the largest funding modality for UNDP. Of the total $4.76 billion of contributions received in 2006-2007, $2.09 billion was attributable to third-party cost-sharing ($1.72 billion in 2004-2005) and $2.67 billion to recipient Governments ($2.46 billion in 2004-2005).

17. Programme expenditure and support costs paid to implementing and executing agents in 2006-2007 increased by $0.84 billion to $4.36 billion ($3.52 billion) in 2004-2005.

Figure I.5

Summary of cost-sharing income and expenditure for the 12 months ended 31 December

(Millions of United States dollars)



D. Programme expenditure monitoring

18. As indicated in note 2 (d) to the financial statements, where UNDP transfers cash to executing agencies, the transfer is recorded as an advance and the programme expenditure is recorded upon receipt of certified expenditure reports (project delivery reports and financial reports) prepared by the executing agencies.

19. UNDP monitors this expenditure to assess whether it was spent in compliance with the project documents and annual workplans. Monitoring activities include field visits, comparisons of expenditure reports with narrative reports and annual workplans, monitoring of progress towards outputs/outcomes, and annual audits. UNDP also monitors the outstanding balance of funds advanced to Governments and non-governmental organizations to ensure that financial reports are received on a timely basis.

20. Where UNDP monitoring activities reveal concerns, UNDP may choose to: intensify its monitoring; change to a different implementation modality; suspend project activities; and, in some cases, request refund of the misspent funds.

21. With respect to expenditure for projects implemented by Governments and non-governmental organizations, one of the key monitoring activities is the annual audit exercise coordinated by the UNDP Office of Audit and Investigations. The methodology introduced by the Office in 2005 for the review of audit reports for projects implemented by Governments and non-governmental organizations has been further fine-tuned and improved in 2006 and 2007.

22. The review methodology now encompasses four areas: (a) the net financial impact of a modified audit opinion, as applicable; (b) the nature of the audit observations; (c) the adequacy of the audit scope; and (d) the effective administration of the audit exercise. Each of the last three areas is rated satisfactory, partially satisfactory or unsatisfactory. The three ratings are then combined while taking into account the materiality of the net financial impact of an eventual modified audit opinion so as to provide an overall rating that measures the results of the audits at a given country office of expenditure for projects implemented by Governments and non-governmental organizations.

23. The UNDP review of the results of the audit exercise for the Government- and non-governmental organization-implemented project expenditure incurred in the year 2006 indicated that the project auditors expressed some concern regarding expenditure totalling $336 million. Of this total, only $12 million, approximately 0.7 per cent of the total project expenditure audited, was identified as having a net financial impact.

24. The $12 million relate to 25 country offices. UNDP has followed up with those offices to further analyse the auditors' comments and determine appropriate next steps. Action plans have been submitted by all the offices and they indicate that, in the great majority of cases, action has been taken or initiated to address the outcome of the project audits.

25. For further details on the results of the audit exercise for Government- and non-governmental organization-implemented project expenditure that was conducted in 2007, covering the expenditure incurred in 2006, please refer to the annual report on internal audit and investigations that will be submitted to the Executive Board at its annual session in June 2008 (DP/2008/20).

26. The audit of the expenditure for Government- and non-governmental organization-implemented projects incurred in the year 2007 was conducted in the first quarter of 2008 and the related results reviewed subsequently.

E. Trust funds established by the United Nations Development Programme

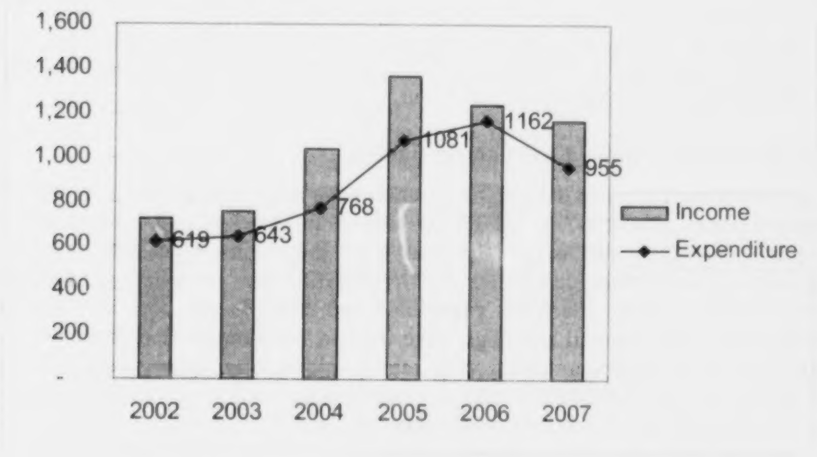
27. The detailed financial results of the trust funds are provided in schedules 5 and 5.1. A total of 156 trust funds and four sub-trust funds were established during the biennium 2006-2007. Five trust funds and one sub-trust fund were closed during the biennium. In 2007, the Bureau for Crisis Prevention and Recovery changed the reporting structure of the UNDP Thematic Trust Fund for Crisis Prevention and Recovery by moving 20 fund codes for service lines reflected as sub-trust funds in the financial statements to the main resources of the trust fund. As at 31 December 2007, there were a total of 648 trust funds (497 as at 31 December 2005) and 189 sub-trust funds (206 as at 31 December 2005).

28. Under trust funds dealing with the environment, in 2006-2007 the Global Environment Facility (GEF), the Montreal Protocol, Capacity 21 and the Office to Combat Desertification and Drought received $581.3 million — 25 per cent of total trust fund contributions. GEF alone received $546.5 million. Countries and territories in post-conflict circumstances, such as Iraq, Afghanistan, Rwanda and Angola and the Palestine territory, were also an important sector for trust fund activities. The Support to Iraq Reconstruction Trust Fund received $54 million during 2006-2007, compared to $245 million in 2004-2005.

Figure I.6

Summary of trust fund income and expenditure for the biennium ended 31 December

(Millions of United States dollars)



Trust Fund to Combat Desertification and Drought

29. The UNDP Office to Combat Desertification and Drought (UNSO) provides technical and financial support to several countries worldwide for the development of national action programmes for the implementation of the United Nations Convention to Combat Desertification. Support is provided for the development of subregional action programmes in Africa and Latin America and the Caribbean, and for partnership and capacity-building to mobilize resources in Africa. Technical, strategic policy and capacity-building support is provided for the mainstreaming and integration of drylands issues into national development planning and other macroeconomic frameworks, and for building and broadening the knowledge base on drylands issues.

30. The drylands form a critical component of the fight against poverty and hunger. They cover 40 per cent of the world's land surface and are home to half of the world's poor. In early 2002, UNDP established the Drylands Development Centre in Nairobi. The Centre is one of the three thematic centres of the Bureau for Development Policy around the world. The new centre incorporates UNSO as part of the Bureau's decentralized network of policy advisers. In line with the overall

management changes within UNDP, the Drylands Development Centre now provides policy advice and programme support to countries through UNDP country offices.

31. UNDP recognizes that rural development and poverty alleviation in the rural drylands require action on various fronts: legislation, capacity strengthening, water management, gender issues, health provision, education and many others. There is a real challenge to ensure that policy and legislation favour people in the drylands and help to end their social and economic exclusion. At the same time, action is needed on the ground to help farmers and pastoralists increase their production of crops and livestock and begin to climb out of poverty.

32. The Drylands Development Centre is currently hosting an electronic forum on how progress can be made towards achieving the Millennium Development Goals. The forum builds on a challenge paper prepared by the Drylands Development Centre.

33. The total contributions received increased from $1.3 million in 2004-2005 to $9.7 million in 2006-2007. While total programme expenditure increased from $1.5 million in 2004-2005 to $3.5 million in 2006-2007, unexpended resources increased from $4.3 million to $10.8 million.

Trust Fund for the Global Environment Facility

34. Four formal meetings of the GEF Council were held, during the spring and fall, in the biennium 2006-2007, at which the GEF corporate business plans and GEF corporate budgets, as well as the individual work programme allocation targets and associated implementing agency fees for UNDP/GEF, were reviewed and approved by the GEF Council for the fiscal years 2006 and 2007. In addition, four informal intersessional GEF Council meetings were held in the summer and winter for the approval of work programme allocations and implementing agency fees only. The GEF secretariat and UNDP/GEF also conducted a separate project implementation review exercise in 2006 and 2007 with respect to all GEF-funded full- and medium-sized projects that were under implementation.

35. During the biennium 2006-2007, the approved work programme and corporate budgets of GEF and implementing agency fees amounted to a total of $486.7 million, 15.4 per cent more than the 2004-2005 work programme ($421.6 million). Total programme expenditure amounted to $445.8 million in 2006-2007, compared to $335.5 million in 2004-2005 (an increase of 32.9 per cent).

36. Income from replenishments received from the World Bank as the GEF trustee in 2006-2007 amounted to $532.6 million ($401.3 million in 2004-2005). In addition, GEF received $13.9 million in cost-sharing, sub-trust fund and other contributions ($16.8 million in 2004-2005).

Multilateral Fund for the Implementation of the Montreal Protocol

37. The Multilateral Fund for the Implementation of the Montreal Protocol was established in 1991 with a mandate to implement national programmes to phase out chlorofluorocarbons, halons and other ozone-depleting substances. Four implementing agencies have been designated to implement this programme: UNDP, the United Nations Environment Programme, the United Nations Industrial Development Organization and the World Bank.

38. UNDP activities to achieve this objective include:

(a) Formulation of national country programmes for the Montreal Protocol;

(b) Data surveys, national and sectoral plans (performance-based, multi-year programmes);

(c) Technical training and demonstration projects;

(d) Institutional strengthening/national capacity-building;

(e) Technology transfer investment projects.

39. Contributions received for 2006-2007 amounted to $25.1 million ($91.5 million in 2004-2005). Total programme expenditure amounted to $45.8 million in 2006-2007 ($58.8 million in 2004-2005).

Capacity 21 Trust Fund

40. After a global evaluation of the pilot phase of Capacity 21 (1992-2003) by a team of independent consultants in 2001, it was recognized that, while Capacity 21 was successful, it did not reach enough countries or communities and needed to be expanded with a broader mandate. After intense consultation within UNDP senior management, Capacity 2015, the successor to Capacity 21, was developed. Capacity 2015 has a wider community based approach, which is not limited to Agenda 21, but also develops synergies with other capacity-building initiatives, particularly poverty reduction strategies, multilateral environmental agreements and sustainable development strategies. The Capacity 21 Trust Fund was operationally closed as at 31 December 2006 and replaced by the Capacity 2015 Trust Fund. Capacity 21 will be financially closed in 2008.

41. Total expenditure declined by 74 per cent to $3 million in 2006-2007, compared to $11.4 million in 2004-2005.

Energy Account

42. Energy Account activities, which are fully financed from extrabudgetary resources, focus on FINESSE ("Financing energy services for small-scale energy users"), which supports policy dialogue, institution strengthening, and regulatory framework and capacity development to provide technically feasible and economically viable renewable energy and energy efficient services to residential, commercial and industrial energy users. These activities are designed to create the conditions and mechanisms for the credit sector to onlend capital to small-scale energy users. FINESSE is in line with the UNDP Initiative for Sustainable Energy, which is based on the fact that traditional approaches to energy will make energy a barrier to socio-economic development and are not sustainable. FINESSE activities are currently being implemented in selected countries in Asia, in partnership with the World Bank. Activities in the Southern African Development Community region have been completed and follow-up will soon be initiated in partnership with the African Development Bank. The Energy Account received contributions and other income of $0.27 million in 2006-2007 ($0.65 million in 2004-2005) against total expenditure of $0.65 million ($1 million in 2004-2005).

UNDP Fund for the Programme of Assistance to the Palestinian People

43. The UNDP Fund for the Programme of Assistance to the Palestinian People programming strategy is based on two objectives:

(a) To utilize the Fund's limited core resources in a catalytic manner, so as to launch high-priority, capacity-building programmes that are subsequently sustained and expanded largely through voluntary bilateral donor contributions;

(b) To ensure the sustainability of these capacity-building programmes through the utilization of joint implementation structures, ensuring the long-term viability and local accountability of the Palestinian counterparts.

44. Total contributions received amounted to $129.5 million in 2006-2007, compared to $120.4 million in 2004-2005, an increase of 7.6 per cent. Programme expenditure in 2006-2007 amounted to $88.2 million ($110 million in 2004-2005), making UNDP one of the largest implementers of donor-funded projects in the occupied Palestinian territories. Pursuant to the strategies and initiatives identified in its programme framework, during the biennium the Fund continued to increase its focus on the expansion of its advocacy role in the promotion of sustainable human development themes, such as poverty elimination, crisis prevention and recovery, sustainable livelihoods, gender in development, HIV/AIDS and energy and environmental management, as well as a number of infrastructure activities.

45. During 2006-2007, the Fund continued its activities to enhance governance at the local, municipal and central levels of the Palestinian Authority, taking full advantage of the considerable local expertise available in the area. In 2007, the transition from execution of the Programme by the United Nations Office for Project Services (UNOPS) to direct execution by UNDP was completed.

UNDP Trust Fund for Rwanda

46. The UNDP Trust Fund for Rwanda was established in April 1995 to enhance programme activities in support of the programme of national reconciliation, reintegration, socio-economic rehabilitation and recovery instituted by the Government of Rwanda.

47. In 2006-2007, the UNDP Trust Fund for Rwanda received no contributions, compared to $0.4 million in 2004-2005. Programme expenditure in 2006-2007 was ($0.04) million, compared to $0.2 million in 2004-2005.

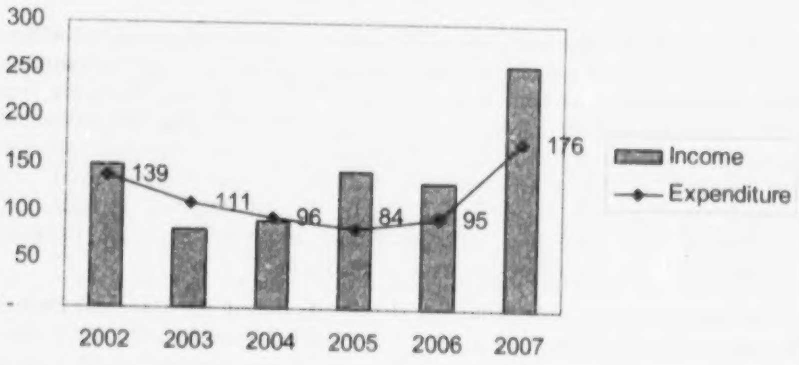
F. Management service agreements

48. Management service agreements are signed by UNDP with various donors (detailed in schedule 6). During the biennium, 36 new agreements were implemented and one agreement was financially completed. Total income increased by 65 per cent in 2006-2007 to $390.3 million, compared to $237 million in 2004-2005. Total expenditure increased by 51 per cent in 2006-2007 to $271.5 million, from $180 million in 2004-2005.

Figure I.7

Summary of income and expenditure for management service agreements for the 12 months ended 31 December

(Millions of United States dollars)



G. United Nations Volunteers

49. For the United Nations Volunteers (UNV) programme the biennium 2006-2007 was marked by strong growth in programme activities and sustained numbers of UNV volunteer assignments. The three main areas of UNV work, namely mobilizing volunteers for development and peace, integrating volunteerism into the development programming of partner United Nations entities and Governments, and scaling up global advocacy for volunteerism for development are now fully captured in a results framework which is aligned to the multi-year funding framework and now the strategic plan of UNDP. UNV makes distinctive contributions — access to services and service delivery, inclusion and participation, and community mobilization through voluntary action — to the United Nations system-wide efforts towards achieving the Millennium Development Goals.

50. A very important trademark of UNV continues to be the thousands of professionally qualified, experienced and committed women and men of more than 160 nationalities who serve as UNV volunteers in United Nations system-supported programmes and projects in over 140 countries.

51. The contribution of UNV to the effectiveness of UNDP and the United Nations system with regard to development continues to gain strength from the complementarity of international and national volunteers. UNV volunteers serving in their own countries make contributions to national capacity-building and in 2007 their numbers increased to 2,549, around 33 per cent of all UNV volunteers. Sixty-nine per cent of international UNV volunteers came from developing countries and served in other developing countries, continuing the strong contribution of UNV to South-South cooperation.

52. In line with General Assembly resolution 55/57, UNV promotes volunteerism to support national development goals and is being increasingly called upon to assist programme countries develop national capacities to mobilize volunteers domestically, including advisory services on legislation, national volunteer services, centres and networks, youth volunteer schemes, university volunteer initiatives, and intra- and inter-country volunteer exchange programmes.

53. In the biennium 2006-2007, income, consisting of contributions to the Special Voluntary Fund for the United Nations Volunteers, cost-sharing, trust funds, full funding arrangements, the United Nations joint venture and reimbursable support services, amounted to $101.1 million, an increase of $21.8 million (27 per cent) over the previous biennium. Full funding arrangements are UNV volunteer assignments funded directly by donor Governments and the United Nations joint venture represents UNV volunteers participating in United Nations missions. Total expenditure in the biennium 2006-2007 was $81.8 million, an increase of $11.8 million (17 per cent) over the previous biennium.

54. The financial magnitude of all UNV activities during the biennium 2006-2007 amounted to $367 million, about 18 per cent more than in 2004-2005. Of this amount, $81.8 million was covered from contributions made to UNV directly (Special Voluntary Fund, cost-sharing, trust funds, full funding arrangements and direct contributions relating to United Nations peacekeeping activities). The remaining $285.2 million relates to the financial value of volunteer assignments charged directly to the United Nations and to other United Nations agencies, funds and programmes, including UNDP.

H. Junior Professional Officers programme

55. A total of 22 Governments have valid agreements with UNDP for the provision of Junior Professional Officers. As at 31 December 2007, UNDP was administering 266 Junior Professional Officers and 10 Special Assistants to Resident Coordinators: the combined number of Junior Professional Officers and Special Assistants to Resident Coordinators working with UNDP and affiliated agencies was 162, of whom 62 were serving in New York and other headquarters locations, and UNDP was administering 114 Junior Professional Officers on behalf of other United Nations agencies and partners.

56. UNDP received $70.9 million in contributions for the Junior Professional Officer programme in the biennium 2006-2007, compared to $63 million in 2004-2005. Total expenditure increased to $62.8 million in 2006-2007, from $57.9 million in 2004-2005.

I. Reserve for field accommodation

57. With the support of the Executive Board, UNDP continues to move towards the disposal of houses and offices it owns in the field and has in the past established provisions for asset write-downs as was deemed necessary.

58. Total income received in the biennium 2006-2007 for the reserve for field accommodation, which consists almost entirely of rental income, increased to $2.5 million, compared to $2.3 million in 2004-2005. The reserve for field

accommodation recorded an overall surplus of $1.1 million in 2006-2007, compared to a surplus of $1.5 million in 2004-2005.

J. Funds established by the General Assembly and administered by the United Nations Development Programme

59. The Funds established by the General Assembly are: UNCDF and UNIFEM. Their financial results are detailed in schedules 7 to 7.2.

United Nations Capital Development Fund

60. The overall goal of the United Nations Capital Development Fund (UNCDF) is to help reduce poverty, first and foremost in the least developed countries, and thereby contribute to the achievement of the Millennium Development Goals. In line with Executive Board decision 99/22, UNCDF activities are concentrated in two service lines: local governance and micro-finance. Through its programmes, the Fund aims to build the productive capacity and self-reliance of poor communities by increasing their access to essential local infrastructure and services and by building inclusive financial sectors that serve low-income people.

61. Each year, UNCDF assesses performance in several projects, according to a number of performance criteria. The evaluations take place midway through the project period, at the end of the project and a few years after project completion. The evaluations focus on project design, implementation and impact, and are conducted by independent experts. The project evaluations assess such goals and objectives as whether the projects incorporated local needs, whether they targeted the poorest in society and whether the project design and implementation found better ways of addressing the needs of women. Where objectives are not reached, a conscientious review of difficulties and shortcomings is conducted to provide important lessons for future project design.

62. In the biennium 2006-2007, voluntary contributions increased by 11 per cent, from $26.7 million to $29.5 million. Programme expenditure in the biennium 2006-2007 amounted to $54.4 million, compared to $42.7 million in 2004-2005. At the end of the biennium 2006-2007, UNCDF had a regular resources fund balance of $25.2 million, over and above the $22.6 million operational reserve.

United Nations Development Fund for Women

63. UNIFEM is the women's fund at the United Nations. It provides financial and technical assistance to innovative programmes and strategies to foster women's empowerment and gender equality. Placing the advancement of women's human rights at the centre of all of its efforts, UNIFEM focuses its activities on four strategic areas: (a) reducing feminized poverty, (b) ending violence against women, (c) reversing the spread of HIV/AIDS among women and girls, and (d) achieving gender equality in democratic governance in times of peace as well as war.

64. Total contributions for UNIFEM increased by $73.1 million or 71 per cent to $175.9 million in the biennium 2006-2007, from $102.8 million in 2004-2005. Voluntary contributions increased by $23.5 million, cost-sharing by $34.9 million and sub-trust funds by $14.7 million.

65. Programme expenditure increased by $41.7 million or 57 per cent to $114.7 million in the biennium 2006-2007, from $73 million in 2004-2005. Regular resources expenditure increased to $39.4 million in 2006-2007 from $28.9 million in 2004-2005, an increase of $10.5 million or 36 per cent. Cost-sharing expenditure increased by $33 million to $65.1 million in 2006-2007, from $32.1 million in 2004-2005. Sub-trust fund expenditure decreased by $1.8 million or 15 per cent to $10.3 million, from $12.1 million in 2004-2005.

66. Unexpended resources as at 31 December 2007 were $97.7 million, an increase of $51.7 million from $46 million as at 31 December 2005. The level of the operational reserve was reviewed in accordance with Executive Board decision 97/4 of January 1997 and the reserve was increased to $14.1 million as at 31 December 2007, up from $7.7 million as at 31 December 2005.

Chapter II

Report of the Board of Auditors

Summary

The Board of Auditors has audited the financial statements of the United Nations Development Programme (UNDP) for the biennium ended 31 December 2007. The audit was carried out through field visits to country offices in Angola, Argentina, Bosnia and Herzegovina, Brazil, China, Guatemala, Honduras, Iraq, Liberia, Nigeria, South Africa and Tajikistan, as well as a review of the financial transactions and operations at headquarters in New York. The Board also conducted audits at the Global Payroll Services office and at the Inter-Agency Procurement Services Office (IAPSO) in Copenhagen.

The Board issued an unqualified opinion on the financial statements for the period under review, as reflected in chapter III.

The Board modified its previous audit report (for the biennium 2004-2005) with emphasis of matters relating to the bank reconciliation process, project expenditure implemented under the nationally executed expenditure modality, and control deficiencies in the enterprise resource planning system. The Board noted the efforts of UNDP that had resulted in improvements in the management of bank reconciliations and the enterprise resource planning system during the current biennium. The Board also noted the efforts of UNDP to address the Board's concerns over nationally executed expenditure.

Coordination with internal audit

The Board coordinated with the Office of Audit and Investigations in the planning of the audit in order to avoid duplication of effort. In addition, the Board reviewed the internal audit coverage of the operations of UNDP to assess the extent to which reliance could be placed on the work of the Office of Audit and Investigations.

Follow-up of previous recommendations

In response to the request of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) and in line with paragraph 7 of General Assembly resolution 59/264 A, the Board evaluated the ageing of its previous recommendations that had not yet been fully implemented and has indicated the financial periods in which such recommendations were first made.

Overall financial overview

For the period under review, total income was $10.7 billion, compared with $9.4 billion for the previous biennium, an increase of 13.8 per cent. Of the total contributions, $2.1 billion (20 per cent) related to regular resource activities, $4.9 billion (46 per cent) to cost-sharing activities, $2.4 billion (22 per cent) to trust funds and $1.3 billion (12 per cent) to reimbursable support services and miscellaneous activities.

Total expenditure amounted to $9.5 billion, compared with $7.9 billion for the previous biennium, an increase of 20 per cent. A total of $8 billion (84 per cent) was spent on programme/project activities and support costs paid to other United Nations agencies, and $1.3 billion (14 per cent) on the biennial support budget.

The excess of income over expenditure in respect of regular resources activities for the biennium 2006-2007 was $210.6 million, resulting in a fund balance of $377 million as at 31 December 2007. The excess of income over expenditure in respect of other resources activities was $923 million, resulting in a fund balance of $4 billion as at 31 December 2007.

Statement of income and expenditure

The Board noted a lack of controls to monitor the miscellaneous income account, as the account was used without adequate review.

Statement of assets, liabilities, and reserves and fund balances

The Board noted weaknesses in control over the monitoring and review of accounts receivable and accounts payable balances. There were also large outstanding balances relating to periods prior to 2004 (pre-Atlas).

Unliquidated obligations

In order to validate unliquidated obligations, UNDP instituted a system of year-end certification by business units. However, a large number of country offices and headquarters units had not submitted their year-end certifications of unliquidated obligations. The effectiveness of that system was therefore limited. Also, the Board noted that open purchase orders totalling $17.5 million were older than 12 months.

Statement of cash flows

The Board noted that UNDP had increased its cash and investment balances (excluding letters of credit) by 40 per cent and 24 per cent for 2004-2005 and 2006-2007 respectively, as a result of large advance payments from donors before the implementation of projects.

Capital assets and construction work in progress

UNDP had not made any progress in implementing the Executive Board's decision regarding disposal of housing properties and the related reserve for field accommodation of $42 million.

General trust funds

The Board noted that 93 (14 per cent) of the 647 trust funds disclosed in schedule 5 to the UNDP financial statements reflected a deficit (2004-2005: 18 per cent). Those deficits totalled $14.9 million, compared to $37.7 million as at 31 December 2005. The Board noted that there was a lack of follow-up of inactive trust funds (i.e. trust funds with no utilization). There were 86 inactive trust funds with a net credit balance of $22.6 million.

Inter-fund balances

As reported in the previous biennium, there were still unresolved inter-fund differences between the United Nations Office for Project Services and UNDP which amounted to $43.5 million as at 31 December 2007.

Reconciliations were not consistently performed in respect of inter-fund balances between UNDP and other United Nations agencies, resulting in more complex biennium-end reconciliations and numerous reconciling items. As at 31 December 2007, there were several differences in the balances between UNDP and other agencies.

End-of-service liabilities, including after-service health insurance

UNDP disclosed in its notes to the financial statements a total liability for after-service health insurance as at 31 December 2007 of $466 million. UNDP had not fully provided for the liability, but recognized in its accounts a total of $268 million (57 per cent) of the liability as at 31 December 2007 (2005: $162 million).

UNDP also disclosed in the notes to the financial statements liabilities for repatriation benefits of $37.6 million, for termination benefits of $7.5 million and for annual leave of $35.8 million. However, a provision for those amounts was not raised in the accounts of UNDP.

The total liability for all end-of-service liabilities is therefore not fully recorded in the financial statements.

Financial statements disclosures

The Board noted that UNDP did not separately disclose prior-period adjustments in its income statement. In addition, the disclosure of the cash flow statement was not in accordance with the format prescribed by the United Nations system accounting standards in regard to the treatment of investments and inter-fund balances.

Progress towards the implementation of the International Public Sector Accounting Standards

The Board noted that the plan for the implementation of the International Public Sector Accounting Standards by UNDP had not been approved at the highest level of the organization. Also, the UNDP implementation plan did not include aspects that related to consultation with stakeholders, including donors and other internal stakeholders, and did not take into account the revision to the UNDP Financial Regulations and Rules.

Results-based management

There is a need for UNDP to continue to strengthen its efforts to review all indicators of achievement reflected in the results-based management database to ensure that they are specific, measurable, accurate, relevant and time-bound (SMART).

Treasury management (including bank accounts and cash)

UNDP was not performing general ledger to subledger reconciliations on a regular basis. There were certain weaknesses in controls over bank reconciliation preparation at country offices, and the external table used by UNDP for reconciliation still had long-outstanding reconciling items.

At year-end, UNDP had 10 bank accounts that were in overdraft as a result of poor cash management, while there were large cash balances in other accounts.

Procurement and contract management

The Board noted that there were inadequate monitoring controls to detect the splitting of purchase orders. UNDP had not established benchmarks for procurement lead times in exigency and normal situations.

UNDP did not have adequate controls to assess and monitor prospective vendors against the list of suppliers prohibited by the Security Council under the terms of Council resolution 1267 (1999).

UNDP country offices and headquarters units did not always maintain approved procurement plans as they were not mandatory. There was a decrease in the first-time approval of procurement contracts by the Advisory Committee on Procurement owing to quality concerns and lack of essential documentation in the procurement submissions. There was also a low percentage of buyers with procurement certification.

The Board noted a high percentage of waivers of competitive bidding (63 per cent of bid submissions in 2007 and 64 per cent in 2006) and that UNDP had not separately reported all the different forms of waivers.

Asset management

UNDP had not incorporated key asset management controls in the internal control framework.

UNDP had not established a policy for accounting, recording, monitoring and safeguarding of direct execution project assets either at country office or at headquarters. The financial statements did not reflect UNDP policy with regard to direct execution project assets.

There were weaknesses in the performance of inventory count procedures and the identification and disposal of obsolete assets at country offices and headquarters. Over 2,800 computers and printers indicated an age of more than three years.

Human resource management

UNDP had not achieved the 50:50 target for gender balance, but there was an improvement to 60:40, from 64:36 as at the end of the biennium 2004-2005. Also, UNDP had not formalized its milestones for achieving greater geographical diversity.

UNDP had not finalized its succession planning policy. There were shortcomings in the control and processes of leave administration and management.

A lack of effective human resources planning had resulted in UNDP not filling vacancies within the 120-day target.

The Board observed a lack of compliance with special service agreement policies and procedures, in that performance reviews were not completed and UNDP did not maintain rosters for local consultants.

Information technology

Certain UNDP country offices had not developed business continuity plans, disaster recovery plans or change control policies.

Enterprise risk management

At the time of the audit, UNDP had not completed its risk assessment of the organization and had not implemented controls to monitor risk assessment for all units in the organization.

Cost recovery

Country offices achieved 68 per cent (2004-2005: 70 per cent) of their targets for the recovery of Government local contributions. UNDP had not implemented a monitoring tool in Atlas to enhance efforts to collect outstanding contributions. The collection of Government local contributions was not included in the country office performance measures.

Unidentified receipts had decreased from $30.9 million in the prior biennium to $5.9 million in the current biennium, after writing back $1.1 million that had been long outstanding.

UNDP had not disclosed the contributions in kind from Brazil and Angola and had not obtained confirmation from all country offices of the complete value of contributions in kind.

Internal audit function and internal audit findings

The Office of Audit and Investigations commissioned an independent quality assessment of its internal audit activity. The quality assessment made findings for the attention of senior management, the Audit Advisory Committee and the Executive Board in relation to internal audit activities. The assessment indicated that the Office partially conformed to the standards of the Institute of Internal Auditors and generally conformed to the Institute's Code of Ethics. The assessment also raised findings for the attention of the Office in relation to its processes. The Office provided limited audit coverage of headquarters functions.

The Office of Audit and Investigations undertook extensive audits of country offices and made findings on three key and recurring audit issues, the highlights of which are contained in the present report.

Programme and project management

Project monitoring and evaluations were not consistently performed and shortcomings in the process were identified. Also, there were no special policies and procedures for alternate monitoring arrangements for countries in a situation of conflict, such as Iraq. Country offices were not adequately utilizing Atlas for project monitoring purposes.

UNDP had not followed its policies and procedures in closing projects relating to the Iraq country office. There were weaknesses in the identification of and processes for closing projects on Atlas.

Programme expenditure

Programme expenditure amounted to $8.02 billion, of which the main components were $1.069 billion of regular resources and $6.783 billion of other resources. A risk-based assessment model was introduced in 2007 in respect of the nationally executed programme expenditure audits. There were continued weaknesses in the nationally executed expenditure modality processes and their results. Some nationally executed programme expenditure audit reports reflected control weaknesses in the financial management of nationally executed projects.

UNDP-Global Environment Trust Fund

The UNDP-Global Environment Trust Fund (GEF) is a trust fund that supports the development of projects in the environmental focal areas of biodiversity, climate change, international waters, land degradation, persistent organic pollutants and ozone depletion. The activities and balances for 2006 and 2007 have been included in the financial statements of UNDP for the biennium. UNDP-GEF prepares its own set of annual financial statements, on which the Board performs a separate audit. The Board audited the 2006 annual financial statements and issued a modified audit opinion with an emphasis of matter. The Board has still to perform the audit for 2007 on the UNDP-GEF separate financial statements.

For the year 2006, the Board issued a modified audit opinion with an emphasis of matter paragraph relating to inadequate monitoring of cash advances to Government and non-government implementing partners, and lapses in management, internal controls and accounting on the part of the implementing partners.

Harmonized approach to cash transfers

The harmonized approach to cash transfers had not been fully implemented in country offices, but progress had been made in addressing implementation difficulties.

Common services

Three country offices audited by the Board had not implemented common services. The Board also noted that memorandums of understanding had not been signed or were not up to date in several country offices visited. Also, UNDP had not rolled out its common services management system.

Safety and security

There were some areas for improvement with regard to compliance with the minimum operating security standards and improvement of safety and security.

United Nations Development Fund for Women (UNIFEM)

Some balances that related to the United Nations Development Fund for Women were long outstanding and had not been reviewed and cleared.

Special audit of United Nations activities in the Democratic People's Republic of Korea

During the biennium, ACABQ requested the Board to carry out a special audit of the operations of the United Nations in the Democratic People's Republic of Korea, including those of the funds and programmes which fall within the Board's mandate, and to report its findings to ACABQ.

The Board submitted its findings to ACABQ in its report in May 2007.

Inter-Agency Procurement Services Office

UNDP transferred part of the functions performed by the Inter-Agency Procurement Services Office (IAPSO) to UNOPS effective January 2008. The Board's findings in respect of its audit of IAPSO are contained in the Board's report on UNOPS (A/63/5/Add.10).

Cases of fraud and presumptive fraud

UNDP notified the Board of 33 cases of fraud or presumptive fraud: 27 cases involving losses amounting to $2.4 million, and six cases where the amount of the loss was undetermined. UNDP also notified the Board that an amount of $327,844 had been recovered by the end of the biennium and UNDP was still in the process of recovering the balance, relating to 22 cases.

Recommendations

The Board has made several recommendations based on its audit. The main recommendations are set out in paragraph 10 of the present chapter.

A. Introduction

1. Mandate, scope and methodology

1. The Board of Auditors has audited the financial statements of the United Nations Development Programme (UNDP) and has reviewed its operations for the financial period from 1 January 2006 to 31 December 2007 in accordance with General Assembly resolution 74 (I) of 7 December 1946. The audit was conducted in conformity with article VII of the Financial Regulations and Rules of the United Nations and the annex thereto (see ST/SGB/2003/7), as well as the International Standards on Auditing. Those standards require that the Board plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement.

2. The audit was conducted primarily to enable the Board to form an opinion as to whether the financial statements presented fairly the financial position of UNDP as at 31 December 2007 and the results of its operations and cash flows for the financial period then ended, in accordance with the United Nations system accounting standards. This included an assessment as to whether the expenditure recorded in the financial statements had been incurred for the purposes approved by the governing bodies and whether income and expenditure had been properly classified and recorded in accordance with the UNDP Financial Regulations and Rules. The audit also included a general review of financial systems and internal controls and a test examination of the accounting records and other supporting evidence to the extent that the Board considered necessary to form an opinion on the financial statements.

3. In addition to the audit of the accounts and financial transactions, the Board carried out reviews of UNDP operations under financial regulation 7.5. This requires the Board to make observations with respect to the efficiency of the financial procedures, the accounting system, the internal financial controls and, in general, the administration and management of UNDP operations. The General Assembly had also requested the Board to follow up on previous recommendations and to report to it accordingly. Those matters are addressed in paragraphs 12 to 18 below.

4. The Board continued to report the results of audits to the Administration in the form of management letters containing detailed observations and recommendations. This practice allowed for ongoing dialogue with the Administration. In this regard, 19 management letters were issued covering the period under review and over 350 recommendations were made.

5. The Board was not able to perform planned audits of the Afghanistan and Lebanon country offices owing to security concerns in those countries. The Board performed the Iraq country office audit at the UNDP office in Amman, Jordan.

6. The Board performs an annual audit of the UNDP-Global Environment Trust Fund (GEF). For the year 2006, the Board issued a modified audit opinion with an emphasis of matter paragraph relating to inadequate monitoring of cash advances to Government and non-government implementing partners and lapses in management, internal controls and accounting on the part of the implementing partners. The separate audit for 2007 has still to be performed.

7. Where observations in the present report refer to specific locations, such observations are limited to the locations specified. They do not in any way imply that

they are applicable to other locations nor do they imply that the conditions to which they refer do not also exist at other locations.

8. The present report covers matters that, in the opinion of the Board, should be brought to the attention of the General Assembly. The Board's observations and conclusions were discussed with the Administration, whose views have been appropriately reflected in the report.

2. Coordination with internal audit

9. The Board continues to coordinate with the Office of Audit and Investigations in the planning of its audits in order to avoid duplication of efforts and to determine the extent of reliance that can be placed on the work of the Office.

3. Main recommendations

10. **The Board's main recommendations are that UNDP:**

(a) **Implement processes to monitor the ageing of receivable balances; intensify its efforts to follow up and recover receivable balances; and review long-outstanding receivable balances during the preparation of its financial statements (para. 53);**

(b) **Implement controls to ensure that amounts received from employees are offset against the correct staff receivable account from which the original advance was paid; reclassify valid receivables with credit balances as a liability; and implement controls to closely monitor all staff receivables on a regular basis (para. 66);**

(c) **Reclassify and disclose interest due to donors in its presentation of financial statements, and periodically reconcile the account to reflect interest refunds due to donors (para. 72);**

(d) **Implement measures to fully analyse and review the accounts related to refunds pending to donors and take steps to clear those accounts regularly (para. 76);**

(e) **Review periodically all accounts payable accounts and resolve invalid or old balances; and close all inactive accounts (para. 84);**

(f) **Implement measures to fully analyse all financially closed projects and raise a liability for refunds that may be due; and review its project closure procedures to ensure it properly accounts for refunds to donors (para. 94);**

(g) **Ascertain and address the reasons for the increasing cash balances in relation to programme delivery (para. 100);**

(h) **Continue to follow up all trust funds in deficit and recover from the donors expenditure incurred in excess of the funding received (para. 110);**

(i) **Establish further processes and stricter controls over inter-fund accounts as part of its agreement with other agencies (para. 123);**

(j) **Continue to review the recoverability of long-outstanding rejection balances (para. 138);**

(k) Set up a task team to address all especially long-outstanding differences with other agencies; improve processes to prevent, detect and correct discrepancies with all agencies in a timely manner; take alternative action where agencies are not providing sufficient cooperation; and revise the 12A report to include trust fund balances (para. 151);

(l) Reconcile its transactions with UNOPS on a regular basis, in conjunction with UNOPS; follow up and investigate differences noted in its reconciliation; and evaluate whether the accounts in Atlas could be modified to simplify the reclassification of inter-fund balances at biennium end (para. 158);

(m) Provide fully for after-service health insurance liabilities on the face of the financial statements; and establish the matching funding (para. 166);

(n) Accurately calculate and disclose accrued annual leave and repatriation grant liabilities on the face of the financial statements (para. 173);

(o) Carry out project risk management to mitigate the risks arising from implementation of the International Public Sector Accounting Standards throughout the life of the project (para. 191);

(p) Review all indicators of achievement reflected in the results management database and ensure that they are specific, measurable, attainable, relevant and time-bound (para. 194);

(q) Reconcile the general ledger with the subsidiary ledger periodically (para. 205);

(r) Implement controls to prevent changes being made to previously reconciled bank accounts; correct the error noted in the Brazil country office real currency bank account (para. 210);

(s) Put in place individual and consolidated procurement plans, at country offices and at headquarters (para. 239);

(t) Provide additional training to country offices that were experiencing problems with Advisory Committee on Procurement (ACP) submissions (para. 242);

(u) Review the current reporting formats for procurement reports and analyse and report separately all different forms of waivers approved (para. 250);

(v) Establish a formal policy for the recording and accounting of direct expenditure modality assets on the Atlas asset module at country office level and at headquarters; and implement procedures to control direct expenditure assets effectively (para. 264);

(w) Implement controls in the physical verification procedures, including the identification of unserviceable, redundant or obsolete items (para. 272);

(x) Improve all controls over leave administration in both the IMIS and Atlas systems to ensure accurate leave balances; and perform an internal audit of leave management to ensure the accuracy of leave balances (para. 291);

(y) **Implement controls to ensure that country offices and business units develop business continuity plans, disaster recovery plans and change control policies (para. 305);**

(z) **Complete the risk assessment for the organization; implement controls to monitor risk assessment levels for all units in the organization; and introduce risk management e-learning courses on the Intranet portal (para. 310);**

(aa) **Improve controls and processes for the monitoring and evaluation of projects; and implement controls to ensure that there is strict monitoring of the link between the financial expenditure on projects and the level of achievement of outputs (para. 333);**

(bb) **Formalize the frequency and extent of the alternative monitoring arrangements at country offices where the security situation does not allow frequent on-site project monitoring; and develop policies and procedures for project monitoring specific to country offices operating in countries in a situation of conflict (para. 336);**

(cc) **Prioritize the financial closure of all operationally closed projects; and address the causes for delays in the finalization of projects (para. 348);**

(dd) **Update its nationally executed expenditure audit instructions, so that audit reports are obtained for every planned audit, irrespective of the delay (para. 363);**

(ee) **Ensure that the Office of Audit and Investigations review the accuracy and completeness of nationally executed expenditure audit reports captured in the nationally executed expenditure database; that the UNDP regional bureaux emphasize to country offices and project auditors the basis on which audit reports should be qualified and also the importance of quantifying the underlying causes for the opinions expressed; that it follow up on all outstanding audit reports; that it include a measurable indicator in the balanced scorecard for the timely submission and quality of nationally executed expenditure audit reports; and that it improve the nationally executed expenditure database data entry controls (para. 381);**

(ff) **In conjunction with the Office of Audit and Investigations implement a tracking system to monitor the completeness of audit plans; and include the estimated completion date of the projects in the audit plans to ensure that all projects have been audited at least once in their life cycle (para. 387);**

(gg) **Ensure that the country offices comply with the deadlines prescribed in the call for audit (para. 392);**

(hh) **Review all processes, dates for calls for audits and deadlines for International Financial Institution audit; and (b) to obtain the outstanding IFI reports (para. 401);**

(ii) **Ensure that the Multi-Donor Trust Fund Office, in consultation with the implementing agencies, consider, when revising the memorandum of understanding, providing for the possible certification of financial statements and the possible extension of the role of the Multi-Donor Trust Fund Office to include monitoring and control processes (para. 414);**

(jj) **Work with donors to strengthen the role of the Multi-Donor Trust Fund Office in monitoring projects executed by its implementing partners and implementing processes to evaluate the submissions made by the implementing agencies (para. 420);**

(kk) **Address the outstanding organizational and structural matters identified in the internal audit quality assessment report (para. 480);**

(ll) **Fully address, in conjunction with the Office of Audit and Investigations, the outstanding recommendations made during the quality assessment of the Office of Audit and Investigations (para. 484).**

11. The Board's other recommendations appear in paragraphs 34, 43, 60, 81, 106, 117, 214, 220, 222, 229, 232, 236, 240, 245, 253, 268, 276, 280, 283, 286, 296, 298, 301, 315, 322, 323, 326, 329, 339, 341, 345, 357, 405, 408, 411, 416, 430, 435, 438, 440, 443, 448, 454 and 461. These recommendations do not address sanctions or disciplinary steps which the Administration may wish to impose on defaulting officials for consistent failure to ensure compliance with the Financial Regulations and Rules of the United Nations, administrative instructions and other related directives.

B. Detailed findings and recommendations

1. Follow-up of previous recommendations

12. In accordance with section A, paragraph 7, of General Assembly resolution 51/225 of 3 April 1997, the Board reviewed the actions taken by UNDP to implement the recommendations made in its report for the biennium ended 31 December 2005.

13. Of the total 115 recommendations made, 79 (69 per cent) had been fully implemented, 30 (26 per cent) had been partially implemented and 6 (5 per cent) had been overtaken by events. Those recommendations are shown in the annex.

Recommendations partially implemented

14. UNDP indicated that all recommendations that had not been fully implemented during the biennium 2006-2007 would be implemented and that more effort had been assigned to implementing high-priority recommendations.

Recommendations not implemented

15. UNDP indicated that, because of the nature of the organization and the environments it operated in, it did not find it pragmatic or realistic to implement the recommendation regarding the setting of milestones for gender balance and geographical representation.

Recommendations overtaken by events

16. Recommendations previously made by the Board on issues relating to IAPSO were overtaken by events owing to the partial merger of IAPSO with UNOPS effective 1 January 2008.

Ageing of previous recommendations

17. The Board also evaluated the ageing of its recommendations made in previous bienniums that were partially or not yet implemented, as requested by the Advisory Committee on Administrative and Budgetary Questions (ACABQ) (see A/59/736, para. 8). The financial periods in which such recommendations were first made are indicated in the annex.

18. Of the 30 partially implemented recommendations, 27 (90 per cent) relate to the 2004-2005 period; 2 (7 per cent) to 2002-2003; and 1 (3 per cent) to 2000-2001.

2. Overall financial overview

Key financial ratios

19. The UNDP financial statements cover regular resources (unearmarked), other resources (earmarked) and funds administered by UNDP (the United Nations Volunteers (UNV), the United Nations Capital Development Fund (UNCDF) and the United Nations Development Fund for Women (UNIFEM)). The key financial indicators, based on the financial position as at 31 December 2007, are set out in table II.1.

Table II.1
Ratios of key financial indicators

	Regular resources			*Other resources*			*Trust funds administered by UNDP*		
				Biennium ended 31 December					
Description of ratio	*2003*	*2005*	*2007*	*2003*	*2005*	*2007*	*2003*	*2005*	*2007*
Cash[a]/total assets[b]	0.188	0.187	0.358	0.123	0.113	0.123	0.673	0.898	0.953
Assets/liabilities[c]	1.152	1.129	1.100	7.097	8.042	8.915	11.005	6.778	7.076
Cash[a]/liability[d]	0.217	0.211	0.394	0.876	0.906	1.095	7.411	6.085	6.917

[a] Cash includes cash and investments.

[b] A high indicator depicts a healthy financial position.

[c] A high indicator reflects a positive solvency position.

[d] A high indicator reflects the extent of cash available to settle debts.

Regular resources

20. The ratio analysis in table II.1 indicates that UNDP has a healthy financial position and the cash/total assets and cash/liability ratios have improved. The asset/liability ratio has remained at a level above one, indicating that UNDP has sufficient resources to pay long-term debts when they fall due.

Other resources

21. The cash/total assets ratio remains low because the UNDP treasury administers all cash related to other resources and keeps this cash under its investments. The asset/liability ratio remains high, indicating that excess funds in cash and investments are not tied up to any activity.

Trust funds administered by UNDP

22. The cash/total assets ratio and asset/liability ratio remain high, indicating that excess funds in cash and investments are not tied up to any activity, resulting in assets covering more than seven times the current liabilities.

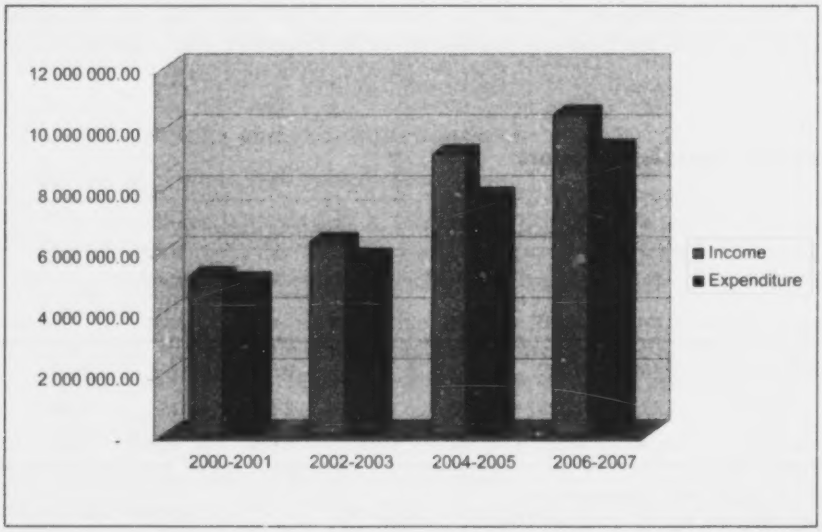
3. Statement of income and expenditure

23. Total income for the period under review amounted to $10.75 billion, while total expenditure amounted to $9.55 billion, resulting in an excess of income over expenditure of $1.2 billion. Comparative income and expenditure for the financial periods 2000-2001, 2002-2003, 2004-2005 and 2006-2007 are shown in figure II.1.

Figure II.1

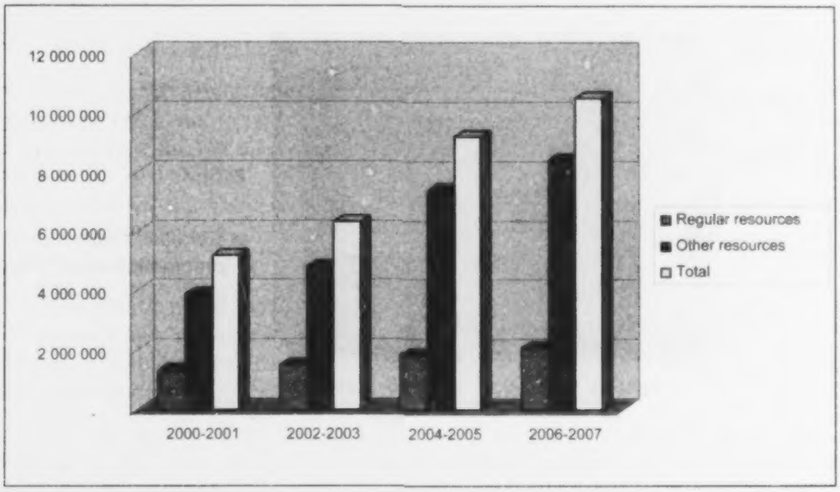
Comparative income and expenditure

(Thousands of United States dollars)



24. The increase in expenditure of $1.6 billion (20 per cent) was attributable to an increase in cost-sharing programme expenditure and support costs paid to implementing and executing agents, which increased by $0.8 billion.

Figure II.2
Comparative regular and other resources
(Thousands of United States dollars)



25. Other resources accounted for 75 per cent of total contributions in 2001 and had increased to 76 per cent in 2003 and further increased to 80 per cent in 2005 and 2007, as shown in figure II.2.

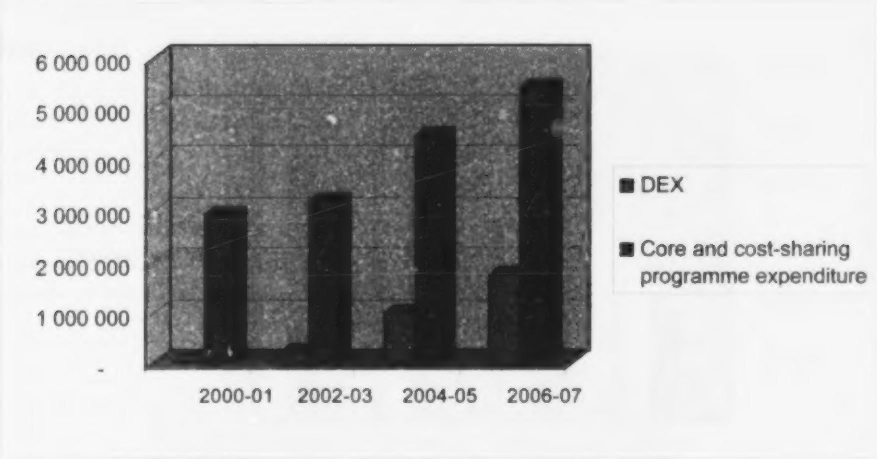
26. The Board noted the proportionate decrease in regular resources and that the increase in other resources meant that more projects were being executed on the basis of donor requirements and fewer projects were being executed through voluntary contributions in fulfilment of the objectives and mandate of UNDP. In the bienniums 2004-2005 and 2006-2007, UNDP was only able to perform 20 per cent of its total programme activities without specific donor requirements.

27. The Board is concerned that UNDP may be seen to be shifting more towards being driven by specific requirements of donors, its major source of funding (although those requirements are related to its goals), and less on its objectives and mandate as established by the General Assembly and its Executive Board. The Board will keep this matter under review.

Figure II.3

Comparative direct execution and programme expenditure

(Thousands of United States dollars)



28. Under the terms of the UNDP guideline on direct execution, direct execution can be approved only for countries in special development situations. In accordance with paragraph 8 (g) of Executive Board decision 98/2, UNDP may consider using direct execution under specific circumstances only.

29. The Board noted that the use of direct execution for the implementation of projects had increased from 2 per cent in 2001 to 33 per cent in 2007, as shown in figure II.3, as opposed to the use of other modalities, such as national execution.

30. The General Assembly supported national execution as the preferred modality. The Board was concerned that the increase in direct execution might mean that fewer resources were available to develop national capacities through the national execution modality. The Board will keep this matter under review.

Table II.2

Comparative biennial support budget expenditure and total expenditure

(Thousands of United States dollars)

	2000-01	*2002-03*	*2004-05*	*2006-07*
Total expenditure (including biennial support budget)	5 030 856	5 817 428	7 792 938	9 359 917
Change in total expenditure		16%	34%	20%
Biennial support budget (gross)	758 053	909 482	1 086 712	1 311 881
Biennial support budget percentage	15%	16%	14%	14%
Change in biennial support budget		20%	19.5 %	20.8%

31. The biennial support budget as a percentage of total expenditure (as shown in table II.2) had remained fairly constant when compared to previous bienniums.

However, the nominal value of biennial support budget expenditure had increased by 20 per cent in the previous three bienniums, indicating that UNDP had been increasing its infrastructures over the bienniums at a rate of 20 per cent per biennium, while its total activities had increased by 16 per cent, 34 per cent and 20 per cent respectively over the bienniums 2002-2003, 2004-2005 and 2006-2007.

Controls over miscellaneous income account

32. The miscellaneous income account (55090) was used by UNDP to record certain income items for which there was no other general ledger account. The total of this account for the biennium ended 31 December 2007 was $134.1 million. Of this amount, $112 million related to funds received from the Department of Safety and Security of the United Nations for services delivered by UNDP, $9.8 million related to UNV income and the remaining amounts were all miscellaneous recording done by different units.

33. The Board noted that UNDP did not have adequate monitoring controls over that account and, owing to the miscellaneous nature of the transactions posted in the account, possible errors and invalid transactions might not be detected and thus lead to misstatement.

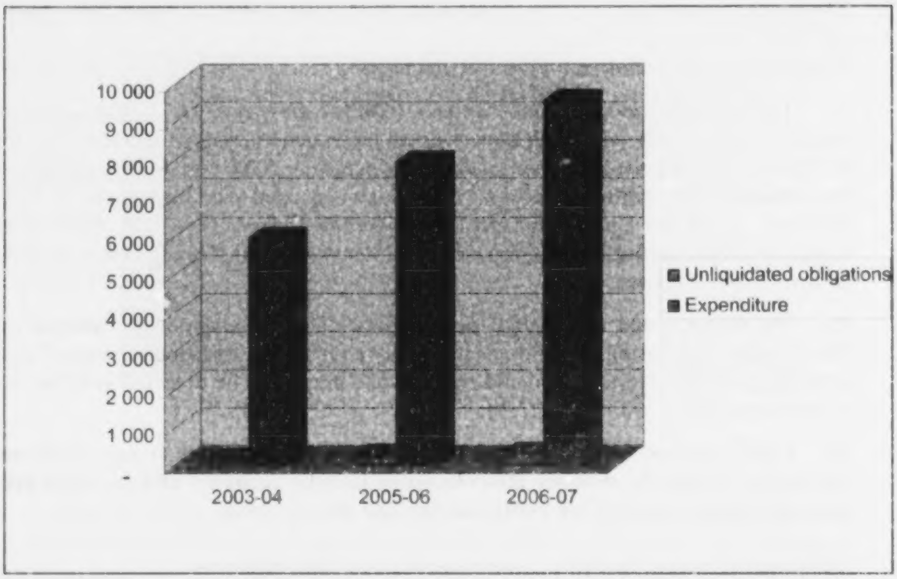
34. **UNDP agreed with the Board's recommendation that it (a) implement controls to regularly monitor miscellaneous income accounts and (b) open other general ledger accounts for recurrent income transactions.**

4. Statement of assets, liabilities, and reserves and fund balances

Unliquidated obligations

35. Unliquidated obligations as at 31 December 2007 amounted to $302.9 million, representing 3.1 per cent of the total expenditure for the period and an increase of $54.2 million (22 per cent) over the amount of $248.7 million in the prior biennium. Figure II.4 shows unliquidated obligations as against total expenditure for the financial periods 2002-2003, 2004-2005 and 2006-2007.

Figure II.4
Unliquidated obligations as against total expenditure
(Millions of United States dollars)



36. Rule 105.9 of the Financial Regulations and Rules of the United Nations provides that "an obligation must be based on a formal contract, agreement, purchase order or other form of undertaking, or on a liability recognized by the United Nations. All obligations must be supported by an appropriate obligating document."

37. The United Nations system accounting standards define obligations as "amounts of orders placed, contracts awarded, services rendered and other transactions which involve a charge against the resources of the current financial period and which will require payment during the same or a future period".

38. As part of the biennium-end process, all country offices and headquarters units were required to certify that all purchase orders were valid open items. The Board noted that, as at 15 May 2008, that is to say 15 days after the financial statements were certified, only 100 country offices had made their certifications, 30 country offices had not submitted them, 13 country offices had asked for extensions of time and only 2 certifications had been received from headquarters units. The Board noted that those operating units that had not submitted certifications had an unliquidated obligations balance of $95,911,399 as at 31 December 2007. This might be an indication that country offices had not specifically reviewed their open purchase orders at biennium end to ensure that they were still valid.

39. Although controls existed to ensure that unliquidated obligations were accurate, lack of implementation of the controls and lack of follow-up might render the controls ineffective. There was a risk that unliquidated obligations as at 31 December 2007 might not be complete or were overstated.

40. As an illustration, the Board identified purchase orders included in the unliquidated obligations schedule that had been open since 2004. The total amount of these purchase orders is reflected in table II.3.

Table II.3

Purchase orders older than 12 months included in unliquidated obligations

(United States dollars)

Year	*2004*	*2005*	*2006*
Total	**2 004**	**306 630**	**17 257 806**

41. The Board noted that open purchase orders related mostly to orders placed for goods not yet delivered and to the cost of services provided during the year. It was unusual for purchase orders to be open for such long durations.

42. The risk was that the unliquidated obligation balance might be overstated, which would also overstate expenses, delivery and general management services income recorded. Invalid unliquidated obligations might also tie up funds that could be used in other activities.

43. **UNDP agreed with the Board's recommendation that it (a) continue to investigate old purchase orders and close invalid purchase orders; and (b) improve controls over the monitoring of country office and headquarters submissions of unliquidated obligation certificates.**

Accounts receivable

44. Accounts receivable had a balance of $68,427,577 as at 31 December 2007. This balance consisted of many individual general ledger accounts.

45. The Board analysed a sample of these accounts receivable and obtained explanations from UNDP. Table II.4 provides a summary of the audit findings.

Table II.4

Summary of findings on a sample of accounts receivable

Account		*Trial balance at 31 December 2007*	*Prior to 2004 — relating to conversion to Atlas*	*Recoverability in doubt (estimate)*
		United States dollars		
19020	Deferred expenditure	2 888 757	705 659	1 998 223
17020	UNV/IMIS suspense account	1 074 333	508 926	565 407
14005	Salary overpayments to separated staff	1 038 269		1 501 079
19015	Deferred income tax	2 134 534	1 122 761	1 011 773
19025	Inter-office voucher rejects deferred	2 313 712		2 313 712
14080	Miscellaneous receivables (general ledger balance)	5 732 188	2 807 892	2 353 618
14080	Miscellaneous receivables (out of book entry)	6 906 073	4 145 891	unknown
	Total	**22 087 866**	**9 291 129**	**9 743 812**

Account 19020

46. The balance considered as being in doubt related to deferred expenditure that was raised by UNDP between 1999 and 2001. UNDP explained that those items would be further looked into and that the relevant budgets and projects could be charged during 2008.

Account 17020

47. The Board noted that the amounts related to UNV. UNDP informed the Board that an amount of $565,407 might not be recoverable and that it was likely that it would require to be written off. The Board noted that the rest of the balance was also possibly not recoverable as it also dated back to prior to 2004.

Account 14005

48. The account is related to salary overpayments made to UNDP staff dating back to 2002. The Board thus regarded the recoverability of the amounts as doubtful. However, UNDP indicated that it would follow up and recover those amounts from both current and former staff.

Account 19015

49. This account represents income tax payments that were rejected by the income tax interface during the years from 1999 to 2003. Based on analysis undertaken, the Board noted that approximately $1 million of the amount was either unidentified or unexplained. The balance of the account related to transactions with UNFPA and UNOPS. UNDP indicated that although those amounts were old, it would pursue their recovery from the two entities. The Board noted that the amounts for UNFPA and UNOPS were not included in the inter-fund account and thus might not have been confirmed with the agencies.

Account 19025

50. This account was used by UNV to record rejected inter-office vouchers for charges to agencies and UNDP country offices. Those rejections related to the periods between 1999 and 2004. A task team was set up by UNV in 2007 to investigate and recover the amounts. To date only $79,000 had been collected, but efforts to recover the remainder are ongoing.

Account 14080

51. The amount regarded by the Board as in doubt related to the IMIS inter-fund account converted to Atlas. UNDP indicated that that balance should have been zero and that UNDP was not able to analyse that balance because there was no tool/query to identify the one-sided inter-fund entries in IMIS. The 14080 account also contained $4.1 million that dated back to before 2004.

52. No regular reconciliations of those accounts were performed by UNDP for accounts receivable balances. Thus, UNDP did not determine the period for which each debtor/creditor had balances outstanding, nor movements on the accounts, and thereafter did not assess the recoverability of the balance when preparing its financial statements.

53. **UNDP agreed with the Board's recommendation that it (a) implement processes to monitor the ageing of receivable balances, (b) intensify its efforts to follow up and recover receivable balances and (c) review long-outstanding receivable balances during the preparation of its financial statements.**

54. The Board noted that not all reconciliations and/or proper age analysis of those accounts had been performed by UNDP prior to the commencement of the audit and the Board could not verify the detailed transactions in the explanation of accounts supplied by UNDP.

55. The Board further noted that details for some accounts were compiled and reconciled by UNDP only on request by the Board and not on a regular basis. There was a risk of insufficient follow-up and of receivables were not being recovered within a reasonable period. There was a further risk that due to the lack of analysis and review of these accounts, errors and adjustments posted to these accounts would not be identified and corrected in a timely manner.

56. UNDP subsequently indicated that it had taken steps to complete a comprehensive status report for each account. The account balances were being analysed and aged. The remaining steps would be to clear and recover the balances in 2008.

Staff receivable balances

57. Account 14001, Accounts receivable — miscellaneous, was used for staff advances converted from legacy systems (IMIS account 1310) and account 14002, Accounts receivable — reimbursements, was a clearing account used for payroll costs of staff on loan to other agencies.

58. The total of the two above-mentioned accounts was $18.78 million as at 31 December 2007, of which $11.63 million was converted to Atlas using a generic staff index number. UNDP initially indicated that it was not known to which staff members those advances related. The Board noted that there was a risk that staff debtors' balances were overstated by $11.63 million (representing the unknown balances converted with the generic index number) as the amount could not be allocated to staff members and therefore might not be recoverable. The remaining balance of $7.15 million was allocated to staff members. However, as those advances dated back to years prior to 2004 (pre-Atlas), it was possible that they also were no longer easily recoverable from the staff members.

59. UNDP subsequently informed the Board that it had located conversion files and determined that nearly the entire balance converted to account 14001 with a generic index number could, in fact, be tied to individual index numbers and that the remaining amount with no index number was only $343,000.

60. **UNDP agreed with the Board's recommendation that it continue to investigate all staff debtors' balances and assess recoverability in compliance with UNDP rules.**

Staff debtors with credit balances

61. The Board reviewed a list of all staff members with balances in respect of advances. The total for the staff debtors' list was $22.77 million as at 31 December 2007. The Board noted that the list included staff members with credit balances

totalling $8.87 million. The Board found this to be an odd and very unlikely situation, thus increasing its concern about the accuracy of the balance recorded for staff advances.

62. There was a risk that the staff debtors were understated by at least a portion of the $8.87 million, as it was unlikely that it consisted entirely of valid amounts owing to staff.

63. As a result of its subsequent analysis, UNDP indicated that many of the large credit balances were offset by debit balances that had been converted with a generic index number and that when UNDP performed the analysis again, the credit balances would offset. UNDP also indicated a few cases of offsetting debits/credits where two different index numbers had been used for the same staff member. While a large number of small credit balances remained, those were most likely the result of foreign exchange fluctuations between the date of the advance and the date of the recovery. Residual balances in United States dollars (where the local currency balance is zero) would be cleared to foreign exchange gain/loss in 2008. UNDP indicated that the revised list showed staff credit balances amounting to $5.9 million.

64. The Board did not, however, audit or verify the analysis that was subsequently made by UNDP and was concerned that there were inadequate controls or reviews of those accounts during the biennium and that the analysis was only done as a result of the audit.

65. Advances granted to staff were accounted for in one general ledger account but the settlement of the advance received from the employee was not always accounted for in the same account. Thus, staff debtor accounts might not be cleared once the employee had settled the amount owing to UNDP and therefore staff debtors could be overstated, or set-off might not be accurately effected in the accounts.

66. **UNDP agreed with the Board's recommendation that it (a) implement controls to ensure that amounts received from employees are offset against the correct staff receivable account from which the original advance was paid, (b) reclassify valid receivables with credit balances as a liability, and (c) implement controls to closely monitor all staff receivables on a regular basis.**

Accounts payable

Funds held on behalf of donors

67. Account 21025, Funds held on behalf of donors, was used to record interest held on behalf of donors, earned on contributions received. These funds would either be refunded to the donors or transferred to other programmes, funds or projects on the basis of written approvals received from the donors. The account had a balance of $40,921,094 and was included in the financial statements in the "Accounts payable" balance of $280 million as at 31 December 2007.

68. The Board noted that the donors shown in table II.5 were included in account 21025.

Table II.5

Donors with interest refunds owing

Donor No.	*Donor*	*Total (United States dollars)*
61	Belgium	2 632 671
00095	Denmark	1 833 632
00280	European Union	18 291 180
10159	European Commission	4 264 216
00117	Germany	3 227 887
00141	Japan	549 428
00231	Sweden	4 233 510
00250	Undetermined	626 255
00296	United Nations	971 857
00555	Swedish International Development Cooperation Agency Trust Fund	4 192 928
Other	Other	87 087
Total		**40 910 650**

69. The Board was not able to obtain details on the ageing of the amounts and there was no evidence of regular analysis and review of the account. The Board noted that there were no documented procedures to follow up with donors on possible refunds or reprogramming of the funds. Furthermore, as the entire amount was included in line item "Accounts payable" in the financial statements, there was no separate disclosure of the amounts possibly owing or awaiting clarification, and donors might not be aware of the balances.

70. UNDP indicated that agreements with donors did not specifically state at which point in time the refund should be made and UNDP practice had been to return the interest upon the completion of activities or the closure of a trust fund, primarily on the basis of requests from Governments through the country offices, the fund managers or the regional bureaux.

71. Interest due to donors represents a liability to UNDP and to reflect all its activities with its donors, would require that UNDP separately disclose this item in its financial statements. The Board noted, however, that that had no effect on the overall balance sheet of UNDP.

72. **UNDP agreed with the Board's recommendation that it (a) reclassify and disclose interest due to donors in its presentation of financial statements and (b) periodically reconcile the account to reflect interest refunds due to donors.**

Refunds pending to donors

73. Account 21030, Refunds pending to donors, was used to transfer funds for projects that were financially completed to ensure that these projects had a zero resource balance. The net credit balance of this account in the general ledger as at 31 December 2007 was $15,674,699 and was classified under regular resources in the financial statements.

74. The Board obtained a detailed analysis of the account and noted that a credit balance of $16,736,597 related to periods prior to 2004 and consisted of balances converted from the IMIS system to Atlas. Included in the conversion amount was $2,209,280 which was allocated under a donor description of "UNDP" as it was uncertain who the actual donors were.

75. The Board noted, based on analysis of accounts 21030 and 21025, that refunds to donors were not being adequately managed and monitored. That would have a negative impact on the reputation of UNDP and might also have resulted in idle funds that possibly could be applied to other project activities.

76. **UNDP agreed with the Board's recommendation that it implement measures to fully analyse and review the accounts related to refunds pending to donors and take steps to clear those accounts regularly.**

Other accounts payable

77. In accordance with Office of Finance and Administration instructions, account 21020, Other accounts payable, was only to be used as a "pass through" account by country offices and headquarters units to record temporary entries.

78. As this was a suspense account, the Board expected the balance not to be material at year-end. The Board noted, however, that the balance at year-end was $12 million, which was high. Of that balance, $4.4 million related to UNV reserve accounts that had been created. The remainder of the balance consisted of miscellaneous amounts which were further analysed by fund and concerning which UNDP provided the comments set out in table II.6.

Table II.6
Various funds
(United States dollars)

Operating Unit	*Balance*	*UNDP comment to the Board*
Afghanistan	2 365 194	Of this amount, $322,000 was an accounting error, which Afghanistan will correct in 2008; $770,000 represents project expenditure that should have been recorded in 2004-05; the remaining $1,273,194.4 remains under investigation.
Sudan	(518 242)	The balance still needs to be cleared.
H21 (Bureau for Development Policy)	(536 453)	The balance still needs to be cleared.
Ethiopia	(902 840)	This balance needs to be analysed.
H17 (headquarters)	(807 376)	Of this balance, ($497,162) is a converted balance from IMIS, the balance was either under investigation or foreign exchange differences that need to be cleared.

Operating Unit	*Balance*	*UNDP comment to the Board*
H17 (headquarters)	(4 400 000)	Balance or a working capital fund that was created in 2003.
Others	(1 626 387)	Balances of less than $0.5 million per operating unit that need to be investigated.
Total (net)	**(6 425 105)**	

79. The Board noted that there were inadequate ongoing controls to follow up, review and reconcile the "other accounts payable" balances and, because of the significant and miscellaneous nature of transactions in the account, there was a risk of misstatement of the accounts payable.

80. UNDP informed the Board that account 21020 was used by country offices to record miscellaneous payables and the Office of Finance and Administration provided offices with guidance on how to analyse and clear the account balance. The Office of Finance and Administration also required offices to submit an analysis at the end of each year and during the year, and where it identified unusually large balances it followed them up with the offices concerned.

81. **UNDP agreed with the Board's recommendation that it implement stricter controls to ensure regular review and follow-up of accounts payable balances included in the "Other accounts payable" account.**

Advances from others

82. Account 29124, "advances from others" reflected a credit balance of $1,148,624 as at 31 December 2007 in the financial statements.

83. A detailed analysis of the account indicated that $1.3 million was a converted balance from IMIS (pre-2004) and the balance was a miscoding of other debit account balances.

84. **UNDP agreed with the Board's recommendation that it: (a) review periodically all accounts payable accounts and resolve invalid or old balances, and (b) close all inactive accounts.**

Financially closed cost-sharing projects

85. The Board obtained a list of all financially closed cost-sharing projects that had surpluses. From the schedule provided, the Board noted that there was $16 million of surplus funds in those projects as at 31 December 2007.

86. Once projects were financially closed, it was considered that all activities relating to the project were complete (operationally complete) and there were no further obligations pending on the project. Once projects were financially closed, no further financial entries could be made on that project in Atlas.

87. At that stage, the funds should be transferred out of the fund and, depending on the agreement with the donor, they should either be refunded to the donor or, where

consent was obtained, they could be transferred for use in other projects (reprogrammed).

88. Surpluses identified were not transferred out and remained in unexpended resources. As unspent funds belonged generally to donors, they should have been classified as refunds payable to donors and disclosed as a liability until clarification was obtained based on negotiations with the donors.

89. UNDP explained that country offices should only classify projects as financially complete if there were no resources balances left in the project. The Board was concerned about that approach because, as it had noted in previous recommendations and observed on visits to country offices, country offices were experiencing substantial difficulties and long delays in financially closing projects and thus surpluses would not be refunded or used in a timely manner.

90. UNDP indicated that problems regarding the closure of projects were a concern. Those problems were addressed to some extent by project monitoring dashboards and other monitoring tools and the requirement to refund/transfer the remaining surplus prior to designating a project as financially complete should not be seen as a reason for delay. The desire of UNDP to reprogramme the surplus (or the donor's request for a refund of the surplus) provided an incentive to designate the project financially complete, because the calculation of the remaining surplus could only take place once the financial transactions were recorded.

91. The Board further noted that there was no monitoring or follow-up by headquarters of surpluses on closed cost-sharing projects.

92. UNDP informed the Board, on the basis of follow-up done during the audit, that country offices indicated that the projects were incorrectly classified as financially closed and that they would apply for those projects to be reopened. UNDP also pointed out that the latter issue was an "anomaly" in the sense that, in accordance with UNDP procedures, a project should only be designated as financially complete once the remaining surplus had been transferred out of the project. UNDP indicated that it would follow up with offices to obtain explanations and would ensure that corrective action was taken.

93. The fact that no transactions can be posted to these projects and that country offices had not yet made any application to reopen these projects further highlights the Board's concerns regarding lapses in control with regard to this aspect of project monitoring at the country offices. Also, although the Board noted the amount of $16 million, the magnitude of this issue could be greater based on the explanation provided by UNDP.

94. **UNDP agreed with the Board's recommendation that it (a) implement measures to fully analyse all financially closed projects and raise a liability for refunds that may be due, and (b) review its project closure procedures to ensure it properly accounts for refunds to donors.**

95. UNDP stated that most of the $16 million identified had been subsequently resolved, either by reopening projects that had been inadvertently closed or by reprogramming the surplus, and that UNDP would monitor project closure regularly to ensure that the issue did not arise again.

5. Statement of cash flows

Table II.7
Increase in cash and investments
(Thousands of United States dollars)

	2000-2001	*2002-2003*	*2004-2005*	*2006-2007*
Cash and investment balance (excluding funds held in trust)	1 909 911	2 416 530	4 014 089	5 306 554
Increase in cash and investments		506 619	1 597 559	1 292 465
Percentage cash increase per biennium		21%	40%	24%

96. The Board noted that UNDP cash balances at year-end showed an increasing trend, with increases of 21 per cent from December 2001 to December 2003 and 40 per cent from December 2003 to December 2005. The cash balance had further increased by 24 per cent as at 31 December 2007, as shown in table II.7.

Table II.8
Comparative cash and programme expenditure
(Thousands of United States dollars)

	2000-2001	*2002-2003*	*2004-2005*	*2006-2007*
Cash and investment balance (excluding funds held in trust)	1 909 911	2 416 530	4 014 089	5 306 554
Programme expenditure	4 208 209	4 820 470	6 641 298	8 000 792
Number of months of programme expenditure covered by current cash balances (based on a simple average)	11	12	15	16

97. In relation to programme expenditure, the cash and investment balances being held by UNDP showed an increasing trend in that the cash balances were increasing at a higher rate than the expenditure incurred on programmes. As illustrated in table II.8, based on current programme expenditure, UNDP had sufficient cash on hand to cover 16 months of project activity, without taking into account its operational reserves and new cash flows.

98. The above situation has certain implications for UNDP in that:

(a) UNDP may have an increased concentration of risk arising from its large cash balances;

(b) UNDP may need to mobilize more resources to manage the cash balances and the increased risk;

(c) UNDP may be seen as "warehousing" funds, instead of utilizing funds for development.

99. The Board also noted that UNDP had a total of 647 trust funds and 189 sub-trust funds in the biennium 2006-2007, compared to 497 trust funds and 206 sub-trust funds in the biennium 2004-2005.

100. **The Board recommends that UNDP ascertain and address the reasons for the increasing cash balances in relation to programme delivery.**

6. Capital assets and construction work in progress

Reserve for field accommodation

101. The Board noted that the reserve for field accommodation was included in the financial statements under other resources and disclosed in note 13 to the financial statements. The reserve was set up in 1979, at a maximum level of $25 million, for the construction of housing for United Nations international staff at country offices. In 1989, the Governing Council extended the scope of the reserve to financing the construction of common service premises as well.

102. The construction cost balance in the financial statements had not changed materially since 2001. The balance reported in 2001 was $44.5 million and the balance reported from 2003 to 2007 was $42 million. The loans to Governments receivable had remained unchanged at $0.8 million since 2003.

103. The agency reimbursement cost had also not changed significantly as the balance reported in 2005 was $7.7 million and the balance reported in 2007 was $7.9 million. The Board further noted that the excess of income over expenditure had decreased from $1.4 million in 2005 to $1 million in 2007.

104. In its decision 96/40 of 13 September 1996, the Executive Board had mandated that, wherever possible, UNDP should dispose of housing properties. However, the Board noted that no properties had been disposed off since 2003.

105. UNDP indicated that the sale of buildings was dependent on market conditions and that UNDP had rental income exceeding expenditure by $1.1 million under the current arrangement.

106. **UNDP agreed with the Board's recommendation that it implement processes to reassess its position in relation to the reserve for field accommodation, in line with the Executive Board's decision.**

7. General and related trust funds

Trust funds in deficit

107. The Board recommended in the previous two bienniums that UNDP follow up on all trust funds in deficit positions with a view to recovering expenditure in excess of the funds received. The Board noted that 93 of 647 (14 per cent) trust funds established by UNDP and disclosed in schedule 5 of the financial statements were in a deficit position as at 31 December 2007 (83 of 468 in 2004-2005). The total balance in deficit was $14,897,728. The total balance in deficit as at 31 December 2005 had been $37.7 million, of which $17 million related to two trust funds in respect of the Afghanistan elections projects, where the deficits on the projects had been reduced after donors agreed to fund costs incurred by UNDP in excess of budgeted expenditure. As at 31 December 2007, the trust fund balance of the Afghanistan elections projects was $10,270 million. There were 30 trust funds carrying over a deficit with a total value of $3,391,304 from the biennium 2004-2005.

108. UNDP informed the Board that it had taken action and had included the issue of inactive trust funds and trust funds in deficit on the agenda of its meetings between the Bureau of Management, the Office of Finance and Administration and all its regional bureaux.

109. Deficits in trust funds are an anomaly in a situation where there are cash balances, as identified elsewhere in the present report. UNDP may need to make a provision in its accounts for trust funds in deficit which donors have not indicated their intention to fund.

110. **UNDP agreed with the Board's reiterated recommendation that it (a) continue to follow up all trust funds in deficit and (b) recover from the donors expenditure incurred in excess of the funding received.**

Inactive trust funds

111. The Board noted during its interim audit visit that many trust funds were inactive. They were funds that had had no contributions or expenditure during the previous two years or longer and were operationally closed but not financially closed.

112. The Board inspected the list of such funds and noted that it comprised 86 inactive trust funds with a total net credit value of $22,556,080. Fourteen of those inactive trust funds were in deficit to the value of $1,974,111 and the remaining 72 were in credit to the value of $24,530,191.

113. Furthermore, 21 trust funds carried over a deficit with a total value of $10,880,847 from the biennium 2004-2005.

114. UNDP commented that it was actively following up on all inactive trust funds and stated that some inactive trust funds took a considerable time to resolve because some trust fund agreements required the consent of all donors before the trust fund resource balances could be transferred and UNDP sometimes had difficulty obtaining a response from donors.

115. UNDP subsequently provided an update to the effect that, as at 31 May 2008, 51 trust funds with a total value of $15 million were inactive.

116. The Board noted an improvement compared to the previous biennium, when 68 trust funds with a total value of $27.6 million were inactive, but reiterated that the level of inactive trust funds was still too high.

117. **UNDP agreed with the Board's recommendation that it continue its efforts to close all inactive trust funds.**

8. Inter-fund balances

118. Inter-fund balances represent balances that are due from or payable to other United Nations agencies, as a result of inter-agency activities. The Board noted balances in the UNDP accounts dating back to before the introduction of Atlas that had not been resolved. The Board also noted that there were inadequate controls to review and reconcile those balances among United Nations agencies and rectify the outstanding amounts. As a result, the Board obtained confirmations which did not agree with the balances as recorded in the UNDP accounts. The inability to reconcile meant that transactions might not have been completely recorded among the agencies

or that transactions recorded might not be valid. The Board was concerned about the lapses in those controls.

119. UNDP indicated that it had taken steps to address historical issues relating to agency inter-fund accounts, including the completion of a comprehensive status report that showed the balances brought forward from the legacy systems, the project clearing account trust fund balances and the project clearing account core balance, with detailed comments on whether the status of each account balance was resolved or under investigation. UNDP stated that the main reason for differences was timing differences and that whereas it maintained three distinct accounts for agency balances, agencies might confirm balances relating to one or two of those accounts, rather than all three.

Reconciliation between United Nations and other agencies and entities and UNDP

120. The Board noted that, on 6 November 2007, UNDP had issued guidance covering the submissions required and relevant deadlines for the financial period ending in 2007 to all agencies and entities that conducted business with UNDP. Under the terms of section 50 of the guidance, the deadline for the reconciliation of the agencies' books with those of UNDP as at 31 December 2007 was 30 April 2008. That important process was necessary for a full reconciliation, at the transaction level, of the agencies balances with the UNDP accounts, to enable UNDP to obtain assurance that the balances were correctly stated in its accounts. Table II.9 lists the 39 agencies out of a total of 65 (60 per cent) from which UNDP had not been able to obtain account reconciliations.

Table II.9
Agencies and entities that did not submit reconciliations

Food and Agriculture Organization of the United Nations

International Finance Corporation

United Nations Children's Fund

International Organization for Migration

United Nations Conference on Trade and Development

Department of Economic and Social Affairs

United Nations

United Nations Information Centre

Medical Emergency Relief International

United Nations Interim Force in Lebanon

United Nations Mission in Ethiopia and Eritrea

United Nations Mission in Kosovo

United Nations Mission in Liberia

United Nations Mission of Support in East Timor

United Nations Operation in Burundi

United Nations Office in Burundi, Bujumbura

United Nations Observer Mission in Bougainville

United Nations Tajikistan Office of Peacebuilding, Dushambe

United Nations Convention to Combat Desertification, Bonn

United Nations Peacebuilding Support Office in the Central African Republic

United Nations Mission in Côte d'Ivoire

United Nations Assistance Mission in Afghanistan, Kabul

United Nations Mission in Sierra Leone

United Nations Monitoring, Verification and Inspection Commission

United Nations Political Office for Somalia

United Nations Mission in the Sudan

International Civil Aviation Organization

World Meteorological Organization

International Maritime Organization

United Nations Industrial Development Organization

Asian Development Bank

World Food Programme

United Nations Environment Programme

Economic and Social Commission for Asia and the Pacific

United Nations Observer Mission in the Democratic Republic of the Congo

United Nations Office at Nairobi

World Trade Organization

United Nations Institute for Training and Research

United Nations Operation in Côte d'Ivoire

121. UNDP informed the Board that, in addition to the guidance it had provided in November 2007, it had sent reminders to agencies and entities about the deadline. UNDP also indicated that, of the agencies and entities with outstanding reconciliations, 17 were United Nations peacekeeping missions and UNDP would work closely with the United Nations to obtain United Nations assistance in instructing missions to submit the reconciliations.

122. With regard to the other outstanding confirmations, UNDP had requested conference calls or meetings with four entities (UNIDO, the Department of Economic and Social Affairs, the United Nations, and the United Nations Information Centre) and would be sending reminders to the other 16 agencies. Without confirmations, UNDP might not be assured of the accuracy and completeness of expenditure, income and inter-fund balances with other United Nations agencies disclosed in its financial statements.

123. **The Board recommends that UNDP establish further processes and stricter controls over inter-fund accounts as part of its agreement with other agencies.**

Reconciliations and confirmations

124. The Board sent out letters to each of the 65 agencies and entities to obtain direct confirmations and received 28 responses with confirmations. Those confirmations were used to obtain a level of assurance as to the validity and accuracy of the balances disclosed in the accounts of UNDP.

125. One of the source documents at UNDP that was used to verify the account balances against the confirmations received was the "12A report". This report is the "Agency status of funds reconciliation" that UNDP sends out to each agency/entity detailing the balances that UNDP has with the agency/entity. The agency/entity is required to fill in the relevant information on the document, highlighting any variances. This document was used by agencies/entities to disclose the account balances to each other in an attempt to reconcile the accounts. The Board commends UNDP on this initiative. The Board noted, on the basis of those reports and the confirmations UNDP itself had sent, that there were still many differences between UNDP and other agencies/entities, including the examples provided below, which were drawn solely from selected confirmations received by the Board. The Board noted that problems with agency/entity accounts could be more widespread.

United Nations Industrial Development Organization

126. The Board noted that there had been a considerable exchange of correspondence between UNDP and UNIDO, but the reconciliation report that UNIDO was required to submit to UNDP by 30 April 2008 had not been submitted. According to the letter of confirmation received by the Board from UNIDO, there was a difference of $2,903,337 in the amount owed to UNIDO by UNDP. In addition, there was also a pre-2004 operating fund reconciliation difference of $1,497,789, which resulted from a difference in classification of expenditure relating to a project.

127. UNDP subsequently informed the Board that UNIDO had indicated that $2 million of the difference related to timing differences due to different year-end account closing dates.

Economic Commission for Africa

128. The reconciliation report of the Economic Commission for Africa (ECA) was received by UNDP and the confirmation from ECA was received by the Board. The difference as reported in the 12A report between UNDP and ECA was $987,937, with ECA recording a service clearing account balance of $1,444,249 due to it and

UNDP a balance payable to ECA of $456,312. UNDP informed the Board that the difference related to timing differences and had not been rejected by ECA.

United Nations Office at Geneva

129. According to the confirmation of balances submitted by the United Nations Office at Geneva (UNOG) to the Board, the total due from UNDP was $827,696. According to UNDP, the amount due to UNOG was $862,294, resulting in a difference of $34,598.

United Nations Educational, Scientific and Cultural Organization

130. The 12A report reconciliation reflected a minor difference in the service clearing account balance between UNDP and UNESCO. The project clearing account, however, reflected a difference of $1,144,206 owed to UNESCO.

131. UNDP informed the Board that there might be valid reasons for the differences, which included timing differences between the reporting of expenditure by UNDP, the recording of those charges by agencies/entities, and the submission of expenditure to UNDP for clarification. Owing to the lack of regular reconciliations in some cases, the Board was not able to confirm the age of the reconciling items and the reasons for the differences.

132. UNDP also indicated that the 12A report that was sent to agencies did not include the project clearing account trust fund balances. UNDP informed the Board that the 12A report would be revised in 2008 to include trust funds.

Rejections of expenditure by agencies/entities (service clearing accounts)

133. On a monthly basis, UNDP sends the service clearing account report to each agency/entity. The report includes a detailed listing of all payments made on behalf of the agency/entity and all charges to recover the cost of services provided. Agencies/entities are required to pre-finance service clearing account services and UNDP does not carry out the service unless funds are received in advance. Agencies/entities are further required, within 30 days, either to confirm their acceptance of the monthly transactions or to provide UNDP with a list of all items questioned or rejected, for example, an amount exceeding the authorized service request or an amount incorrectly charged to where there is no agreement in place. The lists are placed on a global site for ease of access and are updated on a weekly basis.

134. In July 2007, the UNDP Office of Finance and Administration noted that the standing instructions for the sending of three rejection notices among agencies were not being complied with adequately, so with effect from the July 2007 service clearing account report, agencies communicate all rejections directly to the Accounts Division of the Office of Finance and Administration, which then consolidates and posts the list of rejections on the global site, referred to as the regional support team website. This list represents the "official list" of items questioned or rejected by the agencies. The Accounts Division closely monitors progress in resolving the rejections. The initial status of all rejections is "country office action required". The Accounts Division will update the status to "country office corrected" when it obtains evidence that appropriate action has been taken. The two most common

problems are missing/incomplete references and incorrect agency codes being recorded by UNDP.

135. An age analysis by year of the rejections based on amounts in the service clearing account database is provided in table II.10. It should be noted that the retention period for financial records is seven years, in accordance with the UNDP retention policy, therefore the documents for 2000 and 2001 and part of the documents for 2002 could already have been destroyed. Also, documents dating back to before the introduction of Atlas in 2004 might not be available.

Table II.10

Value of the service clearing account rejection list as at 31 May 2008

(In United States dollars)

	2007	*2006*	*2005*	*2004*	*2000-2003*	*Total*
Total rejected	5 328 139	1 193 197	1 858 755	2 674 322	346 425	11 400 838
Total resolved	3 569 190	827 125	433 200	1 430 177	271 214	6 530 907
Rejected balance	1 758 950	366 071	1 425 555	1 244 145	75 210	4 869 931
Percentage resolved	67%	69%	23%	53%	78%	57%

136. UNDP indicated that it had established a system to ensure that errors were reported to UNDP (within a specific time frame) and it would endeavour to resolve them promptly.

137. The rejection list represents transactions that have not been accepted and could be in dispute. Payments made by UNDP on behalf of agencies/entities and the cost of services provided may not be recoverable from the agencies/entities.

138. **The Board recommends that UNDP continue to review the recoverability of long-outstanding rejection balances.**

Conversion from core-2003 operating fund statement to project clearing account

139. Table II.11 shows six of the agencies' balances that were converted from the core-2003 operating fund statement to the project clearing account. The agencies' operating fund statements reflect accounting transactions between the agencies and UNDP. In some instances, the Board noted, there had been little or no movement over the biennium.

Table II.11

Core-2003 operating fund statement

(In United States dollars)

Agency or entity	*Core-2003 operating fund statement balance converted to project clearing account*	*Core-2007 balance*
Agence de coopération culturelle et technique	-228 974	-228 974
African Development Bank	110 302	110 302
Arab Fund for Economic and Social Development	284 456	284 456
Asian Development Bank	106 397	108 902
Inter-American Development Bank	6 281	6 281
International Organization for Migration	5 450 160	5 417 194

140. As those balances had been outstanding since periods prior to 2004, there was a risk that they might no longer be valid and thus misstated in the financial statements.

141. UNDP informed the Board that for the Arab Fund for Economic and Social Development, UNDP had received the funds but was not able to record them in 2007; it would apply the funds in 2008. In the case of the International Organization for Migration (IMO), UNDP indicated that it had tried to resolve the issue with IMO but had not received any response. UNDP subsequently informed the Board that IMO had confirmed a corresponding payable of $5.4 million on 26 June 2008.

Agency-executed trust funds

142. The following agency-executed trust funds had little/no movement. This information was extracted by the Board from the project clearing account and service clearing account status report. The Board noted that the balances needed to be followed up and cleared to ensure that the allocation of the funding was regularized. The balances recorded in table II.12 serve as examples only.

Table II.12

Agency trust fund issues

(In United States dollars)

Agency	*Trust funds — 2003 operating fund statement balance converted to project clearing account*	*Trust funds — 2007 balance*	*UNDP comments on trust fund*
IAPSO	14 023	14 023	
ICAO	-382 883	-382 587	ICAO has not submitted a report for some time. Reports dating back to 2003 have to be requested
IFC	-38 323	-38 323	
UNEP	25 000	25 000	Requires clarification

143. The Board noted that the name of one of the agencies had been recorded as "blank". The credit balance in that account was $552,490. UNDP explained that

when the transactions were recorded into the system nothing had been entered in the name column. The Board noted that there was a risk that the amount would not be traceable and therefore the agency to which the balances belonged would not be identified or the funds correctly disclosed.

144. UNDP indicated that it would follow up on the trust funds and clear them in 2008.

United Nations operating fund account

Prior-biennium reconciliation

145. The Board previously recommended that UNDP expedite the reconciliation of amounts due to/from the United Nations and perform such reconciliations regularly to avoid future write-offs. UNDP previously indicated that it would write off $4.2 million on the basis of the reconciliation as at 31 December 2003. The Board noted that that write-off had not yet been made by UNDP, although full provision for it had been in the prior biennium.

146. The Board noted in the previous report (see A/61/5/Add.1, para. 51) that a further $4.8 million of charges in dispute had been accepted by UNDP and that UNDP expected further write-offs after those amounts had been properly investigated. As at 31 December 2007 only $1.9 million of expenditure had been recorded and $2.9 million was still being investigated.

Current biennium

147. The Board obtained a confirmation from the United Nations of inter-fund balances with UNDP. Table II.13 indicates differences between the two entities.

Table II.13

Differences in inter-fund balances confirmed

(In United States dollars)

	United Nations	*UNOPS*	*Difference*	*Explanation*
Department of Economic and Social Affairs	6 954 688	16 214 969	9 260 281	As at mid-June 2008 UNDP had not yet provided a full explanation for this difference
Service clearing account-United Nations	5 482 663	1 519 169	3 963 493	UNDP indicated that the difference was due to the United Nations not having recorded all service clearing account transactions UNDP had submitted

148. UNDP subsequently informed the Board that the United Nations service clearing account balance included the service clearing account balances of other United Nations entities (the United Nations Political Office for Somalia, the United Nations Information Centre, etc.). The correct United Nations service clearing account balance, after excluding other United Nations entities, amounted to $1,567,942, resulting in a timing difference between UNDP and the United Nations of only $48,773. The Board had not inspected any confirmation of that information.

United Nations current account

149. The financial statements indicated a balance of $2.3 million due from the United Nations. This balance related to the current account, which was used to record payments made by the United Nations on behalf of the United Nations system. A statement was received from the United Nations dated 31 December 2007 indicating that an amount of $3.5 million was due to UNDP.

150. The Board reviewed the reconciliation and noted that the reconciling items included $1.6 million that was billed by the United Nations to be recorded by UNDP, that $0.7 million of transactions were being looked into by UNDP and that, for an amount of $0.6 million, UNDP was awaiting supporting documentation from the United Nations. UNDP was not able to provide the Board with an indication of the age of the reconciling items.

151. **The Board recommends that UNDP: (a) set up a task team to address all differences, especially long-outstanding differences, with other agencies; (b) improve processes to prevent, detect and correct discrepancies with all agencies in a timely manner; (c) take alternative action where agencies are not providing sufficient cooperation; and (d) revise the 12A report to include trust fund balances.**

UNDP inter-fund account with UNOPS

152. UNOPS and UNDP conduct business in such a way that each entity acts as an implementing agent for the other agency on projects, with significant transactions. Inter-fund balances represent amounts due to/from other agencies as a result of transactions that occurred between the agencies.

153. In the prior biennium, the Board noted that the reconciliation between UNDP and UNOPS indicated a net difference of $59.2 million between the amounts reported by the two agencies.

154. After conducting an extensive exercise to reconcile the amounts during the biennium 2006-2007, the agencies resolved that:

(a) UNDP was to process transactions amounting to $33.4 million in its accounts;

(b) UNOPS was to process transactions amounting to $15.664 million in its accounts; and

(c) A balance of $9.9 million remained unresolved by the two agencies.

155. As at 31 December 2007, the total difference between UNDP and UNOPS was $43.5 million. UNDP informed the Board that, in its view, its difference with UNOPS included $15 million that UNOPS had agreed to process relating to the biennium 2004-2005 accounts but had still not processed, and $5.3 million that UNDP had not processed relating to the biennium 2004-2005 accounts (and had agreed to process). UNDP indicated that it would process the $5.3 million in the biennium 2008-2009. A further difference of $23.2 million had not been resolved.

156. The remaining difference of $23.2 million consists of (a) the $9.9 million that was in dispute as at 31 December 2005 and remains unresolved, (b) UNOPS expenditure of $9.7 million on the Afghanistan projects that was rejected by UNDP, (c) other UNOPS expenditure rejected by UNDP totalling $1.1 million and (d) $2.4 million under investigation. Regarding the Afghanistan expenditure, in 2008

UNDP agreed to compensate UNOPS $4.3 million, representing the funds mobilized from donors for the purpose of offsetting the overexpenditure. That commitment is disclosed in the notes to the financial statements. Regarding the disputed amount of $9.9 million, in 2008 UNDP agreed to account for $3 million of that amount provided that UNOPS agreed to accept the balance. As at the date of the audit, the Board had not been able to obtain a signed confirmation from UNOPS of the amount outstanding.

157. The Board is concerned that there were new items relating to previous bienniums that could not be agreed upon by the two agencies. The Board is aware that the two entities use the same enterprise resource planning system (Atlas) for recording transactions; nevertheless, the continued existence of differences that are in dispute could not be explained. New unexplained and rejected amounts relating to the current biennium were noted and were not resolved.

158. **The Board recommends that UNDP (a) reconcile its transactions with UNOPS on a regular basis, in conjunction with UNOPS; (b) follow up and investigate differences noted in its reconciliation and (c) evaluate whether the accounts in Atlas could be modified to simplify the reclassification of inter-fund balances at biennium end.**

9. End-of-service liabilities, including after-service health insurance

159. The end-of-service accrued benefit liabilities disclosed in the notes to the UNDP financial statements include after-service health insurance benefits, accrued annual leave and repatriation benefits.

160. Accrued annual leave is paid when staff members are separated from service and have an accrued annual leave balance. They are paid in lieu of such accrued leave, up to a maximum of 60 working days.

161. The repatriation grant is paid to internationally recruited staff on separation from service as compensation for having been stationed away from their home country in the organization's service and to contribute towards meeting the extraordinary, one-time expense of relocation and reinstallation.

162. The Board noted that UNDP only made disclosure of the full liabilities in note 17 (c) for after-service health insurance and note 17 (d) for end-of-service liabilities in the notes to the financial statements. UNDP had not charged the full accrued cost to the income statement or raised the full liabilities in the balance sheet.

163. As at 31 December 2007, UNDP had only accrued $267 million (57 per cent) for after-service health insurance, while the estimated accrued liability based on the latest actuarial valuation was $466 million. UNDP had accrued an amount of $162 million as at 31 December 2005 and had thus increased its accrual for after-service health insurance by $105 million in the current biennium. The Board further noted that UNDP had no accrual for any liability relating to repatriation grants and accrued annual leave.

164. The Board noted that, while certain United Nations entities, including the Secretariat, made full accrual for those liabilities, UNDP had indicated that General Assembly resolutions 60/255 and 61/264 did not make it clear whether all entities were required to make accrual for the liabilities in 2007; UNDP was of the opinion that that was not what was required.

165. The Board noted that, by not making a full accrual for the liabilities, UNDP was not consistent with certain other United Nations agencies and, by not fully accounting for a major liability in its accounts, was not being fully transparent. The Board noted that the United Nations system accounting standards did not restrict providing for such liabilities. Providing for such liabilities facilitated funding and cost control.

166. **The Board recommends that UNDP (a) provide fully for after-service health insurance liabilities on the face of the financial statements and (b) establish the matching funding.**

Accrued annual leave

167. The provision for leave of $35.8 million was only disclosed in the notes to the financial statements. The Board noted that the provision for leave was calculated using the average salary and average number of days' leave accrued to employees, as opposed to the actual salary per employee and the actual number of days' leave accrued to each employee. The approach taken by UNDP would not provide accurate results and thus the true amount of the leave liability was not known.

Provision for the repatriation grant

168. UNDP disclosed a contingent liability in note 17 (d) to the financial statements for the termination benefits that UNDP will be required to pay to its staff members in future, which were estimated as at 31 December 2007 to be $37.6 million ($18.9 million in 2005) in respect of repatriation grants and $7.5 million ($4.9 million in 2005) in respect of termination indemnities.

169. The Board noted that repatriation grants (applicable only to international Professional staff) were valid liabilities that would have to be paid and that they were not contingent on any future decisions by another party.

170. The Board further noted that the calculation for the repatriation grant liabilities was based on the average salary per employee and estimates of the number of employees entitled to that benefit.

171. As that calculation was based on many assumptions and estimates there was a risk that the provision for repatriation grants might be materially misstated.

172. UNDP indicated that the current leave and human resource systems were not able to provide complete data for use in the calculation of liabilities, but that, with the implementation of Atlas Wave 2, UNDP would be able to confirm all leave and salary costs per staff member and thus be able to provide accurate data for leave and repatriation grant liabilities.

173. **UNDP agreed with the Board's recommendation that it accurately calculate and disclose accrued annual leave and repatriation grant liabilities on the face of the financial statements.**

10. Financial statement disclosures

Cash flow statements

174. UNDP owned an investment portfolio that included bonds, certificates of deposit, time deposits and money market funds. Except for the money market funds,

the investments had dates of maturity varying between three months and five years. As part of its accounting policy, UNDP intended to hold those investments to maturity. The Board noted that the cash flow statement did not disclose investments separately. In accordance with appendix IV B to the United Nations system accounting standards, cash flow from investing activities and cash flow from financing activities are two separate sections within the cash flow statement. In addition, UNDP balances the cash flow back to "cash, letters of credit and investments" and not only to the cash balance; as a result of this method of disclosure, the actual cash flow from investing activities was not identified and shown.

175. The Board further noted that UNDP disclosed movement in inter-fund accounts with the United Nations, UNOPS, UNFPA, etc., under cash flow from investing and financing activities. In accordance with appendix IV B to the United Nations system accounting standards, increases/decreases in inter-fund accounts were required to be disclosed under cash flows from operating activities.

176. UNDP informed the Board that the cash flow statement was consistent with that for prior bienniums and changing it now would be confusing to the reader. UNDP planned to review the format of its statements when it adopted the International Public Sector Accounting Standards (IPSAS).

Prior-year adjustments

177. The Board noted that adjustments that related to prior-year corrections were not separately disclosed in the UNDP financial statements or notes. An example of an item that would be separately disclosed as prior-year adjustment was the inter-fund correcting entry of $20 million that was recorded by UNDP for disputed items in connection with UNOPS that related to the period 1999-2005. This would have the effect of distorting the current-year figures and actual performance for the current biennium. UNDP subsequently adjusted its financial statements to reflect this item, but a more detailed analysis of similar items would be needed to reflect all prior-year adjustments.

Accounting for investments

178. The Board noted that UNDP had introduced a change into its accounting policy with regard to investments. In previous bienniums, UNDP had not included in the financial statements investments/funds held and administered for the Spain-UNDP Millennium Development Goals Achievement Fund, the Peacebuilding Fund, the United Nations Development Group Iraq Trust Fund and the Lebanon Recovery Fund. In the current biennium, UNDP included as investments in the financial statements balances totalling $1.125 billion received in connection with those funds. UNDP also included those balances as liabilities in the financial statements.

11. Progress towards the implementation of the International Public Sector Accounting Standards

179. In accordance with General Assembly resolution 61/233 and in response to the comments of ACABQ in its report (A/61/350), the Board decided to carry out a gap analysis relating to the implementation of IPSAS as well as new or upgraded enterprise resource planning systems. ACABQ had commented on the desirability of such systems taking fully into account the detailed requirements of IPSAS.

180. In December 2007, UNDP, through the Operations Support Group, decided to change its implementation approach for all IPSAS policies from a phased approach to a "big bang" approach in 2010.

181. UNDP explained that the reason for adopting the "big bang" approach rather than a phased approach was to ensure that UNDP invested adequate time and resources for the delivery of a comprehensive change management programme (e.g. extensive training and communication), and to allow sufficient time for country offices to prepare for the implications of the adoption of IPSAS, for example by achieving appropriate staffing levels and the required skill sets. It would also ensure that country offices were not overwhelmed with new undertakings in 2008, when they would be engaged in several large initiatives, such as implementation of results based budgeting and the strategic plan.

182. Furthermore, the development of IPSAS-compliant policies is largely dependent on the United Nations system-wide harmonization process, which has significantly delayed the achievement of consensus on key IPSAS policies (for example, concerning the treatment of revenue, expenses and project assets) and this would also have an impact on the UNDP timetable for implementation of IPSAS.

183. The Board noted that the UNDP plan for the implementation of IPSAS took the form of a project document outlining a strategy and approach for the successful implementation of IPSAS in collaboration with other Atlas partners, for example UNFPA, UNOPS, UNCDF and UNIFEM. The document focused on the policy, Atlas process and change management aspects of the implementation of IPSAS.

184. The Board noted, however, that the project document had not been specifically endorsed by the Administrator or the Associate Administrator; it was being dealt with by the UNDP Operations Support Group.

185. On the basis of its review of the plan, the Board noted that the Bureau for Resources and Strategic Partnerships, the Capacity Development Group, the Office of Planning and Budgeting and the Office of Human Resources were among the role players involved through the IPSAS Board. Their roles and responsibilities, however, were not defined in the plan.

186. The Board further noted that although some role players were identified in the plan, it did not include the Legal Support Office, internal audit, project staff, donors, implementing partners or the Evaluation Office; nor did it provide for the direct involvement of field offices.

187. The inclusion of all aspects of UNDP operations at the planning and policy development stages would allow for a more comprehensive plan, in which all scenarios, risks and benefits as they related to the various parties could be included and adequately addressed.

188. UNDP informed the Board that the involvement of implementing partners and donors had been taken into account and would be addressed as part of change management later in the implementation process.

189. The implementation plan included components on information technology, budget, change management, steering committees and participation in the IPSAS Task Force. It did not, however, contain information on issues relating to the revision of rules and regulations, and reporting to stakeholders, or details on the regularity of meetings.

190. The Board noted that UNDP shared an enterprise resource planning system, Atlas, with other United Nations agencies and entities, and that they planned to commence implementation of IPSAS in 2010. The Board noted that UNFPA, which used Atlas also, had plans to adopt two standards in 2008. That may present unique challenges.

191. **The Board recommends that UNDP carry out project risk management to mitigate the risks arising from implementation of the International Public Sector Accounting Standards throughout the life of the project.**

12. Results-based management/budgeting

192. The Board noted instances where indicators of achievement were contrary to the guidelines issued by UNDP. Instances had been identified where the 2007 indicators of achievement, which were locked into the system, did not meet the SMART criteria, i.e. specific, measurable, attainable, relevant and time-bound. Examples of indicators that did not meet the SMART criteria are provided in table II.14.

Table II.14
Examples of deficiencies in indicators of achievement

Country	*Indicators relating to country office targets*	*Not specific*	*Not measurable*	*Estimated expenditure (US dollars)*	*Practice area*
Cambodia	Number of new projects relating to energy efficiency and rural energy approved by 2007		X	2 500 000	Energy and environment for sustainable development
Croatia	Number of consultations on major social policy documents/policies	X	X	850 000	Achieving the Millennium Development Goals and reducing human poverty
	Number of consultations that seek input from vulnerable social groups		X		
	Number of community initiatives (generated by the programme) that target specific vulnerable groups		X		
Lesotho	Pro-poor policies core streamed and pro-poor programmes developed	X	X	120 000	Achieving the Millennium Development Goals and reducing human poverty
	A well-organized general election in 2007 with sufficient logistical planning for every polling station	X	X	945 000	Fostering democratic governance
	Number of legal instruments drafted	X	X	520 300	
	Number of historical and cultural sites documented		X		
	Number of skills development workshops conducted along the historical route		X		

Country	*Indicators relating to country office targets*	*Not specific*	*Not measurable*	*Estimated expenditure (US dollars)*	*Practice area*
	Number of water harvesting structures established and operational		X		
	Number of sustainable land management models adapted		X		
	Number of people who know their HIV status in Lesotho		X	100 000	
	HIV testing and counselling services improved and decentralized		X	310 000	

193. It was important for the indicators to meet the SMART criteria as that would result in more informed decision-making and in better measurement of the performance of country offices. Moreover, it would assist management in drawing inferences which were based on predetermined criteria when considering the extent to which UNDP had progressed towards achieving its results in each practice area, as enshrined in the multi-year funding framework.

194. **The Board recommends that UNDP review all indicators of achievement reflected in the results management database and ensure that they are specific, measurable, attainable, relevant and time-bound.**

195. UNDP informed the Board that, as part of the annual target-setting exercise for 2008, the regional bureaux would review the quality of indicators of achievement as part of their oversight function. In support of that effort to improve the quality of indicators, the Operations Support Group would work during 2008 with the regional bureaux and other units, through workshops and on-line training, to strengthen country office capacity for results based management, including by identifying and developing SMART indicators.

196. UNDP commented further that developing SMART indicators continued to be a challenge within UNDP. This was partly due to the nature of the organization's work, which was decentralized and focused on activities which, for the most part, did not lend themselves to the establishment of standard performance indicators. The level of knowledge and capacity within the organization for setting SMART indicators was uneven and the regional bureaux were required to play an active oversight and support role vis-à-vis country offices with regard to results-based management.

13. Treasury management (including bank accounts and cash)

Bank reconciliations

197. UNDP has 67 active bank accounts that are managed at headquarters and 553 accounts that are managed by country offices. Twelve of the latter are managed and reconciled on behalf of UNFPA. The bank account reconciliation is a critical internal control procedure for detecting errors, misstatements and fraud.

198. Prior to October 2007, bank reconciliations for headquarters bank accounts were performed manually using a spreadsheet. These reconciliations were not always performed on a monthly basis throughout the biennium 2006-2007, but rather in batches, which resulted in a large number of items being required to be reconciled. UNDP informed the Board that the main reason was that the procedure for preparing

the bank reconciliations within the Atlas system was new to the personnel and the process was cumbersome and not well understood by staff members preparing the reconciliations. In addition, bank reconciliation processes, for example, the recording of payment references by reporting banks, had still been at an "evolutionary" stage at the beginning of 2006, which had reduced the ability of UNDP to complete reconciliations in Atlas.

199. UNDP headquarters was responsible for reconciling all headquarters accounts, including the global payroll bank accounts, and country offices were responsible for their own reconciliations. UNDP had set up a "dashboard" monitoring tool to monitor the status of completed bank reconciliations and reconciling items for all its bank accounts.

Differences to be investigated

200. The UNDP "Bank reconciliation completion guide" provides detailed guidelines on how to perform and review a bank reconciliation. This document states that if an account has "differences to be investigated" then the reconciliation is considered to be incomplete.

201. UNDP provided the Board with the global bank to book (B2B) reconciliation, reconciling B2B reports with the general ledger on 18 April 2008 for the biennium ended 31 December 2007. The Board noted differences between the general ledger reconciliation with the cashbook and the bank statement balance reconciliation with the cashbook, both understating the cash balance. Two large differences related to the Sudan country office and the headquarters payroll bank account. UNDP indicated that the payroll bank account was fully reconciled, with zero difference to be investigated, when the reconciliation was completed at the end of January. Subsequent to the completion of the reconciliation, external items were entered which caused the reconciling items, but the cashbook balance as at 31 December 2007 did not change and, therefore, the end of January reconciliation remained valid.

202. Of the other accounts that had differences, account number 0041572 was also reconciled at the end of the year, but the reconciliation was done outside of Atlas. The reconciliation showed that cash was understated by $29,504, which represented a manual voucher created by the Madagascar country office at the end of 2007 and then reversed in 2008. The remaining "difference to be investigated" of $726,586 represented payments recorded in Atlas and disbursed from the bank account but not "reconciled" in Atlas and, therefore, shown as "difference to be investigated" in the B2B report. UNDP indicated that the bank account was fully reconciled in Atlas in 2008.

203. The third account, account number 6550914021, was also reconciled outside Atlas. The "difference to be investigated" consisted largely of two items, both of which were carried forward from the end of 2003. UNDP indicated that (a) an unrecorded deposit of $110,000 would be recorded in 2008 and (b) a credit book balance of $665,000 related to an incorrect entry made in IMIS that was converted to Atlas. That entry was corrected in 2008 by debiting cash and crediting interest income.

204. It was further noted that the general ledger and subsidiary ledger reconciliation for all accounts was not yet done on a monthly basis and thus errors would not be identified in a timely manner.

205. **UNDP agreed with the Board's recommendation that it reconcile the general ledger with the subsidiary ledger periodically.**

206. For the current biennium, the Brazil country office operated on the SAP accounting system and was required to reconcile with the Atlas system at headquarters on a regular basis. However, that reconciliation had only been performed at year-end, as part of the closing of accounts as at 31 December 2007. Reconciliation between Atlas and SAP resulted in differences of $2.4 million of errors and adjustments that were not accounted for in Atlas, which led to an understated cash balance.

207. UNDP indicated that the $2.4 million difference was due to inadvertent double counting of the revaluation adjustment of the Brazilian real account to United States dollars at the end of 2007. The adjustment was made in SAP and repeated in Atlas. UNDP indicated that the Brazil office had now moved to Atlas and the problem would not recur.

208. For certain reconciling items, the Board noted, based on discussion with the UNDP treasury, that after bank reconciliations were completed by country offices, country offices were able to make entries that would cause reconciling items to reappear and, consequently, the bank reconciliations needed to be redone in some instances.

209. UNDP informed the Board that that issue was mainly caused by offices completing their bank reconciliations prior to closing the submodules, which resulted in some "double work" in having to re-do the bank reconciliations.

210. **UNDP agreed with the Board's recommendation that it (a) implement controls to prevent changes being made to previously reconciled bank accounts and (b) correct the error noted in the Brazil country office Real currency bank account.**

Amounts to be followed up in the external tables

211. The global B2B report submitted as at 15 October 2007 had amounts of unrecorded payments and deposits. This schedule included the outstanding payments and deposits shown in table II.15. In the past, amounts that were unreconciled differences from IMIS were included in the table columns. Country offices also posted to the external tables entries that were not recorded in the cash book but were reflected on the bank statements. The Board analysed schedules showing the status of the external tables as at 15 October 2007 and the status as at 30 April 2008, and noted considerable improvements with regard to unrecorded payments and deposits. However, there were still items on the external tables that were long-outstanding, as shown in tables II.15 and II.16.

Table II.15

External table ageing as at 15 October 2007

(United States dollars)

	Transactions outstanding for over two years	*Transactions outstanding for between one and two years*	*Transactions outstanding for less than one year*	*Total*
Payments	(67 112)	(477 290)	(251 451)	(795 854)
Receipts	2 195 152	54 302	7 195 710	9 445 166

Table II.16

External table ageing as at 30 April 2008

(United States dollars)

	Transactions outstanding for over two years	*Transactions outstanding for between one and two years*	*Transactions outstanding for less than one year*	*Total*
Payments	(4 294)	(6 414)	(48 004)	(58 712)
Receipts	261	30 909	3 584 082	3 615 252

212. Included in the receipts outstanding for less than one year are zero balance accounts of $1.1 million (sweep transfers) recorded in May 2008, interest income of $63,000 posted at the beginning of May and payroll adjustments.

213. The Board previously raised concerns over the accuracy of bank accounts and the reconciliation process. In the previous biennium, this situation led the Board to issue a modified audit opinion with an emphasis of matter regarding bank reconciliations. Based on audit work now performed, UNDP has made progress in improving and implementing controls over bank accounts and the reconciliation process.

214. **UNDP agreed with the Board's recommendations that it (a) clear all old outstanding items in the external tables (suspense accounts) and investigate items in the bank reconciliations, and (b) provide further training on bank reconciliations to country offices that may require it.**

Management of cash and forecasting of cash flows

215. The purpose of cash planning is to help finance/treasury managers to manage their liquidity requirements. Typically, UNDP pays staff, vendors, projects, Governments (national execution) and agencies (agency execution). By maintaining forecasts of volume (how much), in what currency, and timing (when needed), the financial obligations of the organization can be discharged in a timely fashion, and the unused funds, managed by the UNDP Treasury, can be invested to generate interest income.

216. The UNDP user guide on management of cash planning and forecasting states that data and information should be gathered and the cash flow forecast prepared on a regular basis. Staff should ensure on a daily basis that no idle balance or overdraft occurs in the bank account(s).

217. A list was received from UNDP of all country offices' bank balances as at 31 December 2007. The Board noted that 10 country offices' local bank accounts were in overdraft, to a total of US$ 591,000.

218. A high incidence of accounts in overdraft may be an indication of a lapse in cash management control at the country offices and may result in unnecessary interest charges.

219. UNDP informed the Board that the Treasury would follow up with all offices showing an overdraft in their bank account. The main reason for the overdrafts was inadequate cash forecasting by offices (seven in total) and extraordinary market factors in one country operating in a hyperinflationary environment.

220. **UNDP agreed with the Board's recommendation that it (a) implement strict control to avoid overdrafts at country offices and (b) ensure that country offices prepare cash flow forecasts.**

Country offices

221. During its visits to country offices, the Board noted that bank reconciliations were being performed more regularly, but also noted the following weaknesses regarding controls over the reconciliation process:

(a) Monthly bank reconciliations were not always performed in a timely manner;

(b) Reconciliations were not always signed and dated by the preparer and reviewer;

(c) Reconciliations contained long-outstanding reconciling items.

222. **UNDP agreed with the Board's recommendation that it ensure that controls over bank reconciliations at country offices are carried out.**

223. During the biennium, the Office of Audit and Investigations performed an audit of the Treasury Division of UNDP covering the period from 1 July 2004 to 30 June 2007. An "unsatisfactory" rating was assigned to the Treasury Division based on the audit. The major findings of the audit were:

(a) The Atlas general ledger system contained numerous incorrect balances dating back to January 2004, lacked functionality, was not optimally configured and lacked security measures;

(b) Bank reconciliations were not completed in a timely manner, and unreconciled items had accumulated and were not investigated in a timely manner;

(c) Access controls surrounding Atlas, Treasury shared drives, and servers were inadequate or non-existent;

(d) There was inadequate segregation of duties;

(e) There was a lack of adequate resources, and limited guidance within the Treasury Division.

224. The Board noted, based on its audit findings, that bank reconciliations had been largely addressed by UNDP, but that some ledger accounts continued to reflect pre-Atlas transactions and balances. The Board also noted that UNDP had developed an

action plan to address other issues raised by the internal audit of the Treasury Division.

14. Procurement and contract management

Split purchase orders

225. The UNDP Procurement Manual provides specific approval requirements depending on the value of the expenditure to be incurred in respect of the goods/services to be acquired. Approval for expenditure exceeding $30,000 has to be obtained from the Contract, Asset and Procurement Committee. For all contracts exceeding $100,000 approval is to be requested from the UNDP headquarters Advisory Committee on Procurement. By splitting a purchase order, a buyer could avoid having to send requests for approvals to higher authorities.

226. The lack of monitoring controls over the splitting of purchase orders was reported in paragraph 364 of the Board's previous report (A/61/5/Add.1).

227. Adequate monitoring controls have not yet been fully implemented to mitigate the splitting of purchase orders, which might have occurred to avoid the Advisory Committee on Procurement approval process. The Board did not identify any split purchase orders, but reiterated that detective controls did not operate to discover them.

228. UNDP indicated that it would enhance the oversight system by March 2008 and would improve controls in Atlas to prevent the splitting of purchase orders.

229. **The Board reiterates its previous recommendation that UNDP review exception reports on a quarterly basis to identify possible splitting of purchase orders.**

Procurement benchmarks

230. In paragraph 333 of the Board's previous report, UNDP agreed with the Board's recommendation that it establish benchmarks for procurement lead times, for both exigency and normal situations, so that it could measure and assess the effectiveness and efficiency of its procurement processes.

231. The Board noted that UNDP had not yet established any benchmarks for procurement lead times, either for normal or for exigency situations. UNDP indicated that it had analysed the transactions in Atlas for 2007 and that it would start developing benchmarks based on that analysis.

232. **UNDP agreed with the Board's reiterated recommendation that it establish benchmarks for procurement lead times, for both exigency and normal situations.**

Security Council resolution 1267 (1999)

233. The committee established pursuant to paragraph 6 of Security Council resolution 1267 (1999) oversees the implementation by Member States of the sanctions imposed by the Security Council on individuals and entities belonging or related to prohibited organizations, and maintains a list of individuals and entities in that respect.

234. The UNDP Contract Asset and Procurement Management User Guide (sect. E, 4.0) requires all procurement officials to verify entities with which business is conducted "against the United Nations Security Council 1267 Committee's list of terrorists and terrorist financiers".

235. The Board noted during its audit visits to country offices that no controls were in place to ascertain compliance with Security Council resolution 1267 (1999) and the requirements of the UNDP Contract Asset and Procurement Management User Guide prior to the appointment of suppliers.

236. **The Board recommends that UNDP, prior to dealing with prospective vendors, ensure that they are not listed on the Security Council list of prohibited suppliers.**

Procurement planning

237. Business units were required to prepare procurement plans linked to their programme and management activities. The Board noted, based on its country office and headquarters audit visits, that not all units prepared such plans. As a result, many procurement activities were carried out on an ad hoc basis. There was a risk that the lack of procurement plans could lead to delivery problems, delays, customer dissatisfaction and a negative image of UNDP.

238. Currently, spreadsheet-based procurement plans were used and the user guide did not prescribe dates for the submission of procurement plans, or establish under what circumstances procurement plans were required.

239. **UNDP agreed with the Board's reiterated recommendation that it put in place individual and consolidated procurement plans, at country offices and at headquarters.**

240. **UNDP agreed with the Board's further recommendation that it develop a software tool to assist units in procurement planning.**

Advisory Committee on Procurement first-time approval

241. The Board reviewed the Advisory Committee on Procurement statistics on the approval of submissions made to it. It was noted that the rate of first-time approval of submissions made to the Advisory Committee on Procurement decreased for most of the regional Bureaux from 2005 to 2007, as shown in table II.17. The rejections were due mostly to the poor quality of submissions that lacked information on essential issues and lacked documentation. Table II.17 shows the decrease in first-time approvals. It is noteworthy that the Advisory Committee on Procurement continued to maintain its requirements regarding the quality of submissions, even though that implied extra work for the Committee. The risk is that, as it becomes more difficult to obtain Advisory Committee on Procurement approval the first time, departments will suffer operationally in the execution of their work.

Table II.17

First-time approvals by the Advisory Committee on Procurement

Regional Bureau	*First-time approval of submissions, 2005*	*First-time approval of submissions, 2007*
Regional Bureau for Africa	76%	54%
Regional Bureau for European and Commonwealth of Independent States	87%	68%
Regional Bureau for Arab States	75%	68%

242. **UNDP agreed with the Board's recommendation that it provide additional training to country offices that were experiencing problems with submissions made to the Advisory Committee on Procurement.**

Procurement certified buyers

243. A procurement certification programme was in place to ensure comprehension of UNDP procurement policies and procedures and the related Atlas competencies. That certification programme, a six-hour computer-based training course, was a useful tool and a first step in creating a basic understanding of the procurement function. Therefore, it was imperative that staff members with a buyer profile acquire that certification.

244. The Board reviewed statistics on buyers with procurement certification as at 31 December 2007. The current procurement certification was very basic certification, but almost half of the buyers working with procurement had not undergone certification. From the statistics it obtained, the Board noted that 4 of the 140 country offices did not have a single certified buyer. Table II.18 indicates the percentage of buyers with procurement certification per region.

Table II.18

Percentage of buyers with procurement certification at 1 May 2008

Regional Bureau	*Percentage of buyers with procurement certification*
Regional Bureau for Africa	18
Regional Bureau for Asia and Pacific	26
Regional Bureau for Arab States	28
Regional Bureau for European and Commonwealth of Independent States	29
Regional Bureau for Latin America	12

245. **The Board recommends that UNDP implement measures to make procurement certification a prerequisite for a "buyer" profile in Atlas.**

Waivers of competitive process

246. A "waiver of competitive process" is typically used to procure goods, civil works or services and is subject to review of the permissible justifications set forth in UNDP financial rule 121.05 (a). UNDP financial regulation 121.05 (a) states:

> The Chief Procurement Officer may determine for a particular procurement action that using formal methods of solicitation is not in the best interest of UNDP when:
>
> (i) The value of procurement is below the monetary amount established for formal methods of solicitation;
>
> (ii) There is no competitive market-place for the requirement, such as where a monopoly exists, where prices are fixed by legislation or government regulation, or where the requirement involves a proprietary product or service;
>
> (iii) There has been a previous determination or there is a need to standardize the requirement;
>
> (iv) The proposed procurement contract is the result of cooperation with other organizations of the United Nations system, pursuant to Rule 121.02;
>
> (v) Offers for identical requirements have been obtained competitively within a reasonable period and the prices and conditions offered remain competitive;
>
> (vi) A formal solicitation has not produced satisfactory results within a reasonable prior period;
>
> (vii) The proposed procurement contract is to purchase or lease real property;
>
> (viii) There is a genuine exigency for the procurement;
>
> (ix) The proposed procurement contract relates to obtaining services that cannot be objectively evaluated;
>
> (x) The Chief Procurement Officer otherwise determines that a formal solicitation will not give satisfactory results.

247. The Board noted that, in analysing the total value of procurement classified as being performed under a waiver, it was important to understand the term "waiver of competitive bidding" used by UNDP for reporting on Advisory Committee on Procurement (ACP) actions. The ACP report took all of the following types of waiver (among others) into account: (a) exceptions to formal competitive bidding; (b) where the competitive process was undertaken in accordance with the guidelines but the number of qualified and responsive offers was less than three; (c) procurement where long-term agreements were in place; and (d) procurement in crisis situations.

248. The Board obtained the ACP reports for the years from 2005 to 2007 and noted that the percentage of waivers approved was high compared to the total approved procurement action. The percentage of waivers of competitive process reported was 63 per cent in 2007 and 64 per cent in 2006. Those percentages did not reflect the actual amount of waivers that arose from exceptions to the formal process, as all forms of waivers were included in one percentage in the reports, thereby indicating an abnormally high percentage of waivers for 2006 and 2007.

249. The Board noted that the volume and value of true exceptions to the competitive process could not be readily identified owing to the wide-ranging definition of waivers, and that was not consistent with the overriding objectives of transparency, fairness and ethics within procurement at UNDP. As a result, more meaningful analysis and the establishment of benchmarks and targets to reduce the extent of waivers could not yet be undertaken.

250. **UNDP agreed with the Board's recommendation that it review the current reporting formats for procurement reports and analyse and report separately all the different forms of waiver approved.**

15. Asset management

251. Non-expendable property consists of property and equipment valued at $1,000 or more per unit at the time of purchase and with a serviceable life of three years or more. As disclosed in note 3 (d) to the financial statements, the value of non-expendable property holdings as at 31 December 2007 amounted to $82.1 million, a 12 per cent increase over the previous period's balance of $73.5 million.

Internal control framework

252. The Board noted in paragraph 483 of its previous report (A/61/5/Add.1) that key control procedures in respect of non-expendable equipment, although available, were not included in the current internal control framework and that the internal control framework was then still in draft (version 3 of 2005). The Board's follow-up during the current biennium audit indicated that the draft document was not yet approved and implemented.

253. **UNDP agreed with the Board's reiterated recommendation that it incorporate key asset management controls in the internal control framework.**

Disclosure in the financial statements of assets acquired through the direct execution modality

254. The UNDP accounting policy referred to in note 2 (g) to the financial statements states:

> The full cost of non-expendable equipment is charged to the UNDP regular resources through its biennial support budget or to the appropriate project in the biennium in which it is purchased. An inventory is maintained for all non-expendable equipment (defined as items of equipment valued at $1,000 or more per unit). An inventory of items purchased for nationally executed projects is maintained but, because such items generally revert to the project in the recipient country on completion of the project, the value of such items is not included.

255. The Board noted that UNDP only disclosed the value of management assets (not project assets) in the financial statements. The accounting policy of UNDP identified assets that were acquired through the national execution modality and specified the accounting treatment applied in respect of those assets, i.e. the assets were not included as part of the UNDP inventory of assets disclosed in the financial statements. However, the policy did not clearly specify how UNDP accounted for assets that were acquired through its direct execution modality. Users of the annual

financial statements could, therefore, be led to believe that direct execution modality assets and management assets were both accounted for under non-expendable equipment.

256. UNDP responded by revising its accounting policy in its financial statements to reflect that the value of all project assets is excluded.

Direct execution modality asset ownership

257. Paragraph 2.6, of the "running a programme" section of the project management guidelines states:

> Assets purchased with UNDP funds remain UNDP property until formally transferred or otherwise disposed of. Assets can be transferred or disposed of at any point in time. The UNDP Programme Manager is responsible for deciding on the transfer or other disposal of assets financed by UNDP. At the completion of the project, the parties must agree on the disposal of assets that remain as the property of UNDP.

258. Furthermore, regulation 24.02 of the UNDP Financial Regulations and Rules states:

> Non-expendable equipment and other property financed or provided by UNDP shall belong to UNDP unless and until such time as ownership thereof is transferred, on terms and conditions mutually agreed upon between the programme country and UNDP.

259. Based on the above extracts from guidelines and regulations of UNDP, it would appear that direct execution modality assets belong to and are owned by UNDP for the duration of the project or until assets are formally transferred. This practice would be a suitable approach for the purposes of exercising control.

260. The Board further noted that the Contract, Asset and Procurement Management User Guide (sect. A, 1.3) states: "Country offices may choose to enter DEX assets in the assets module." There were no instructive requirements regarding the management of an inventory list of such assets in Atlas. There was, therefore, no consistent policy to direct the recording of direct execution modality assets, which might lead to their being misstated, or recorded in an inconsistent manner.

261. UNDP indicated that its position is that direct execution modality assets should be controlled at country offices in the respective project files and documentation.

262. The Board, however, noted during its visit to the Iraq country office, a major direct execution office, that management of direct execution modality assets was poor, that there was a lack of properly certified inventory lists and that inventory lists were not complete for projects selected for audit by the Board. The Board noted during its visit to the Honduras country office that there had been no certification of direct execution modality project assets during 2007.

263. Thus, accountability for the proper use and safekeeping of the assets might be compromised and would lead to problems in future with regard to the physical verification of assets. Since all project equipment depending on the agreement with the donor needed to be transferred to a recipient upon completion of a project, UNDP was accountable for the safeguarding of all project equipment.

264. **UNDP agreed with the Board's recommendation that it (a) establish a formal policy for the recording and accounting of direct expenditure modality assets on the Atlas asset module at country office level and at headquarters, and (b) implement procedures to control direct expenditure modality assets effectively.**

Assets "not capitalized"

265. In accordance with UNDP policies and procedures, all inventory purchased with value greater than $1,000 should be capitalized. The Board identified during its visit to UNDP headquarters assets greater than $1,000 in the "assets not capitalized" report totalling $767,265.

266. In addition, purchase orders at headquarters were not always capitalized into the Atlas system when the assets were received. That resulted in the in-service report being understated.

267. During the Board's visits to the country offices in Bosnia and Herzegovina, Guatemala, Liberia and Nigeria similar audit findings regarding the non-capitalization of assets were noted.

268. **UNDP agreed with the Board's recommendation that it (a) perform a review of the non-capitalized asset report to ensure that all management assets with a value of $1,000 or more have been capitalized and (b) implement controls to ensure that purchase orders for assets with a value of over $1,000 are capitalized.**

Asset verification

269. The UNDP asset management guidelines state:

> A physical count of inventory items including furniture, equipment and vehicles should be conducted at least once annually as the data included in the asset inventory should correspond to the inventory items physically present at the country office.

270. During its visits to country offices the Board noted the following weaknesses in the control of non-expendable equipment:

(a) Inventory records not continuously updated with additions and disposals;

(b) The physical existence of property items could not always be verified;

(c) Incorrect asset location listings;

(d) Lack of visible asset identification tags;

(e) Obsolete items recorded in the inventory listings.

271. During the physical inspection exercise at headquarters and country offices, the Board noted inventory items that were stored separately in the server room and, from discussion with staff at the Office of Information Systems and Technology, it was clear that those assets were not usable. That obsolete equipment had been recorded in the asset management summary report, which could result in non-expendable property being overstated. The Board also noted that not all assets at headquarters were properly tagged.

272. **UNDP agreed with the Board's recommendation that it implement controls in the physical verification procedures, including the identification of unserviceable, redundant or obsolete items.**

Asset disposals

273. The UNDP guidelines on asset management provide timelines for the disposal of different categories of assets and indicate that computers and related computing equipment should usually be disposed of every three years.

274. At headquarters, the Board noted that the asset report recorded over 2,800 computers and printers which had been acquired more than three years previously. The Board made similar findings during its audit visits to the Brazil and the Bosnia and Herzegovina country offices.

275. Common practice indicates that the lifespan of desktop computers is approximately three years, at which time the machine may be deemed to be obsolete or less reliable. In addition, computer equipment that is not in use would cause UNDP to incur unnecessary storage and security costs.

276. **UNDP agreed with the Board's recommendation that it (a) perform a computer verification exercise and identify computer equipment that may be obsolete, and (b) implement a process to dispose of computer equipment that is regarded as obsolete.**

277. UNDP informed the Board that, for many units, the replacement of computers was dependent upon the availability of funds. The Administrative Services Division would work with the Office of Information Systems and Technology and other units to encourage replacement of obsolete computers.

16. Human resources management

Gender balance

278. According to the gender balance in management policy for the period 2003-2006, the goal was to achieve a 50/50 gender distribution in UNDP by 2010 in all posts in the Professional category and above, overall and at each level, including at the D-1 level and above and the Assistant Secretary-General level, in accordance with United Nations Secretariat administrative instruction ST/AI/1999/9. Gender targets apply irrespective of the type or duration of staff appointment, the series of the staff rules under which the appointment was made or the source of funding. The Board noted that UNDP had realigned its gender target milestones to 2011, in line with the strategic plan for 2008-2011.

279. UNDP previously agreed with the Board's recommendation that it establish milestones against which to measure the achievement of gender balance. The Board noted that milestones had not yet been set by UNDP. The Board, however, noted an improvement of 4 per cent in the achievement of gender distribution goals, from 64:36 in 2005 to 60:40 in 2007, as shown in table II.19.

Table II.19
Gender balance

	2002-2003	*2004-2005*	*2006-2007*
Gender balance	66:34	64:36	60:40
Improvement		2%	4%

280. **The Board reiterates its previous recommendation that UNDP continue its efforts to achieve 50/50 gender distribution across all levels of staff, and establish milestones.**

281. UNDP responded that targeting the 50/50 parity in practice would mean moving towards the enforcement of an upper limit of 55 per cent and a lower limit of 45 per cent for both men and women in UNDP as a whole, as well as at individual regional bureaux and other offices.

Geographical distribution

282. The Board noted that UNDP applied a "North/South" (developed/developing countries) geographical diversity balance in its selection processes. While UNDP had a target of 50/50 distribution between countries of the North and of the South, it had not formalized milestones against which to measure the achievement of geographical distribution targets, as it did not consider that approach to be realistic.

283. **The Board reiterates its previous recommendation that UNDP formalize milestones for the geographical distribution of staff and monitor progress against those milestones.**

Succession planning

284. Succession planning is a systematic process of identifying and developing talent to ensure leadership continuity for all key positions in an office that have been filled successfully in terms of competency levels, gender equality or geographical considerations. Without succession planning or a specific formalized process in place to address the replacement of staff close to retirement or the filling of key positions in a timely manner, UNDP could lose the expertise of a retiring staff member prior to the appointment of a suitable replacement. Succession planning may also assist where there are delays in filling vacancies. The Board noted that UNDP did not have a finalized succession plan to address the replacement of staff.

285. The Board reviewed the workforce statistics and noted that a significant number of staff in senior management positions (D2-P5), including resident coordinators, were due to retire in the next three years, as illustrated in table II.20.

Table II.20

Staff retiring in three years: 2007-2010

Grade	*Total*	*Percentage of grade*	*Male*	*Female*
D2/L7	27	39	19	8
D1/L6	41	18	31	10
P5/I5	38	8	14	24
Total	**106**	**14**	**64**	**42**

286. **UNDP agreed with the Board's recommendation that it develop a succession plan.**

Leave administration

287. In its previous report (A/61/5/Add.1) the Board recommended that UNDP institute controls in respect of the leave administration process by formalizing standard leave practices across the organization, monitor those practices to facilitate accurate leave balances and perform an internal audit of leave management to ensure the accuracy of the leave balances.

288. The Board noted that, although the Office of Human Resources had formalized standard leave practices and enhanced the absence management module in Atlas, those practices had not yet been fully implemented. In addition, the Board noted that no internal audit of the leave balances had been performed.

289. The Board continued to note several shortcomings in the control of leave administration at country offices and at headquarters, and could not determine if the leave balances were accurate. Those weaknesses are summarized below.

Leave request forms

(a) Leave request forms were not always completed prior to leave being taken;

(b) Where leave request forms were completed, the leave was not always properly authorized.

Leave reports (which also serve as attendance registers)

(a) Leave reports were not always signed by the authorized official;

(b) Leave reports were not always found in employee files;

(c) Leave reports were signed late, in some cases a few months after the month they related to.

Leave capturing

(a) Manual leave records were not always captured on the IMIS system.

290. In view of the planned implementation of the International Public Sector Accounting Standards (IPSAS), the Board emphasizes that leave records need to be accurate and complete to ensure that the provision for leave is fairly stated.

291. **UNDP agreed with the Board's reiterated recommendation that it (a) improve all controls over leave administration in both the IMIS and Atlas systems to ensure accurate leave balances and (b) perform an internal audit of leave management to ensure the accuracy of leave balances.**

Appointment process

292. In his report on human resources management reform of 1 August 2000 (A/55/253 and Corr.1), the Secretary-General established a target of a maximum of 120 days to fill posts through effective human resources planning.

293. The Board noted, based on its headquarters and country office audit visits, that UNDP was not always filling vacancies within that targeted time frame.

294. UNDP indicated that, although it was not bound by the Secretary-General's report, it was committed to filling vacancies in a timely manner and would set a target of 90 days in the new recruitment policy.

295. The Board previously recommended that UNDP implement measures to record and monitor the appointment process. Although UNDP had implemented a vacancy tracking tool, the Board noted that the tool was not always fully utilized by all hiring units.

296. **UNDP agreed with the Board's recommendation that it (a) fully utilize the vacancy tracking tool to monitor appointment processes and (b) implement human resources planning methods, such as succession planning and demand forecasting for high volume hiring units.**

17. Consultants, experts and temporary assistance

Performance evaluations

297. UNDP policies and procedures on the management of special service agreements provide that prior to final payment being made to consultants an evaluation of their performance is imperative. The Board noted in its audit visits to the Angola, Argentina and Guatemala country offices that UNDP did not always perform the performance evaluations before final payments were made.

298. **UNDP agreed with the Board's recommendation that it implement controls to ensure that performance evaluations relating to special service agreement contracts are performed in a timely manner, as required by the special service agreement policies and procedures.**

Local rosters

299. UNDP policies and procedures on the selection of consultants for special service agreements require that country offices develop their own roster of consultants available for local hire, to be maintained by the personnel units. The consultants on those rosters should have already been screened with regard to their qualifications, references and former work with UNDP and other United Nations agencies. Requesting officers should maintain records of the screening and evaluation processes.

300. The Board noted during its visit to the Angola and Guatemala country offices that rosters of local consultants had not been developed.

301. **UNDP agreed with the Board's recommendation that it ensure that all country offices maintain rosters of local consultants, in compliance with special service agreement policies and procedures.**

18. Information technology

302. A high-level overview of the general computer controls surrounding the information technology environment was performed by the Board during some of its audit visits to country offices. The objective of the high-level overview was to ascertain the level of assurance obtainable from overall information technology management controls around the financial systems. Those controls were not always specific to the financial applications, but they had a tangible impact on the level of control over any application in the processing environment.

Business continuity plans

303. The Board noted during its country office visits that not all country offices had developed, documented and communicated business continuity and disaster recovery plans. In addition the Board also noted the following weaknesses regarding business continuity plans:

(a) Plans had not been communicated to all users;

(b) Plans were not kept off-site;

(c) Plans had not been tested.

Compliance with change control policies and procedures

304. The Board noted during country office visits that change control policy had not been developed, documented and communicated at all country offices. Compliance with the change control procedures was not regularly monitored and/or tested. As a result, unauthorized changes to the network, hardware or operating system might have been made. Such unauthorized changes would be untested, undocumented and could affect the viability of current disaster recovery procedures.

305. **UNDP agreed with the Board's recommendation that it implement controls to ensure that country offices and business units develop business continuity plans, disaster recovery plans and change control policies.**

19. Enterprise risk management

306. Enterprise risk management is a widely used best practice in public and private organizations for improving effectiveness, accountability and efficiency. It is an approach involving proactively and systematically identifying, monitoring and responding to risks at all levels of the organization to better achieve objectives and protect stakeholder interests.

307. The Board recommended in its report for the biennium 2002-2003 that UNDP consider establishing a risk management function responsible for implementing a risk management strategy and conduct a comprehensive risk assessment exercise. The Board further recommended in its 2004-2005 report that UNDP expedite the evaluation and implementation of its risk management strategy.

308. UNDP developed the enterprise risk management policy and guide in the last quarter of 2007 and uploaded them to the enterprise risk management intranet portal. Regional workshops on enterprise risk management were organized during the last quarter of 2007 and the first quarter of 2008.

309. A full assessment and management of risks is of fundamental importance to UNDP as a complex organization facing an increasing range of risks, including environmental, financial, operational, organizational, political, regulatory and strategic risks. The UNDP Audit Advisory Committee, in its 2007 annual report (DP/2008/20), stated in the context of the diffusion of decision-making processes that enterprise risk management was championed by one office, while the results-based budgeting system, as well as the accountability framework were the responsibility of another office.

310. **The Board recommends that UNDP (a) complete the risk assessment for the organization, (b) implement controls to monitor risk assessment levels for all units in the organization and (c) introduce risk management e-learning courses on the intranet portal.**

311. UNDP subsequently informed the Board that the risk assessment has been completed for the entire organization and that the e-learning courses were available on the Intranet.

20. Enterprise resource planning

Atlas migration

312. The Brazil country office had been using the SAP system and not the Atlas system like the rest of UNDP, until 31 December 2007. The Board noted that that posed significant hurdles, as the new internal control framework and processes were significantly different to the strategic action programme system used previously. The Brazil country office is a relatively large operating unit and, as a result, the migration to Atlas was a complex exercise.

313. Continued monitoring of staff trained in Atlas and of user requirement inputs was necessary to ensure that processes were being correctly implemented for management purposes.

314. A change management plan for the period from October 2007 to February 2008 and a further plan for the period until December 2008 had been approved by the management. A review of the latter plan was expected in December 2008.

315. **UNDP agreed with the Board's recommendation that, in cooperation with the Brazil country office, it follow through the change management plan approved by the management.**

Atlas review

316. During the previous biennium, UNDP conducted an external review of the Atlas system. The extensive findings of that review were included in the Board's 2004-2005 report (A/61/5/Add.1).

317. During the current biennium, the Office of Audit and Investigations conducted, through an external consultant, a follow-up review of Atlas, as well as a follow-up of

recommendations resulting from the Atlas review. The results of the latest review had not yet been finalized at the date of preparation of the present report.

21. Cost recovery

Government contributions to local office costs

318. Host Governments (programme countries) are expected to contribute towards the cost of country offices. Government obligations for local office costs are based on the total local cost of the office financed from the core budget, excluding international travel and hospitality costs. The basis of the target contributions is the local staff costs and general operating costs of the relevant country office. The UNDP Governing Council recognized that local economic conditions might affect the ability of programme countries to meet their obligation to cover total office costs. As a result, in its decision 84/9, it authorized the Administrator to waive in part the obligation when economic conditions so warranted. That decision was taken into consideration in the Government Local Contributions to Local Costs Calculation Methodology Guide.

319. Percentage waivers were allocated to host Governments based on the country's economic conditions. Thus, host country Governments were allowed to contribute a portion only of the initially calculated target.

320. The budgeted country office targets for Government contributions were estimated at $43.6 million in 2006 and $48.7 million in 2007. In 2006, 72 per cent of targets for Government contributions to local office costs were achieved (in 2005, 70 per cent); in 2007, 68 per cent of targets for Government contributions to local office costs were achieved (see table II.21).

Table II.21

Government contributions to local office costs: payments as a percentage of obligations (2006 and 2007)

Region	*2006*	*2007*
	(Percentage)	
Africa	67	58
Arab States	73	65
Asia and the Pacific	90	76
Europe and Commonwealth of Independent States	82	74
Latin America and the Caribbean	56	69
Average	**72**	**68**

321. The Board noted that there were inadequate monitoring controls to enable country offices to monitor and track outstanding Government contributions to local office costs. Collections had remained relatively stable, but fell well short of the target.

322. **UNDP agreed with the Board's reiterated recommendation that it implement a monitoring tool in Atlas to enhance efforts for the collection of outstanding contributions.**

323. **UNDP agreed with the Board's reiterated recommendation (a) that the collection of Government local office contributions be included in the country offices' annual management workplans and (b) that country offices selectively engage with headquarters bureaux in performing additional follow-up with individual host country Governments.**

Unidentified receipts

324. Unidentified receipts, as disclosed under accounts payable in the balance sheet and note 4 to the financial statements, decreased by 61 per cent, from $30.9 million in the biennium 2004-2005 to $11.9 million in the biennium 2006-2007. The Board previously expressed concern about the increase in unidentified receipts and the corresponding delay in applying these amounts for the purposes intended by the donors. The risk existed that income for the biennium 2006-2007 was understated by an amount of up to $11.9 million, while liabilities were overstated by the same amount.

325. During the biennium, UNDP had written back $1.1 million of unidentified receipts to core resources as those amounts had been reflected as unidentified receipts for a long time and all avenues had been exhausted in trying to identify the donors and the projects those amounts related to.

326. **UNDP agreed with the Board's recommendation that it (a) follow up amounts that were still reflected as unidentified receipts and (b) enhance Atlas to allow for ageing of the unidentified receipt balances.**

Contributions received in kind

327. In-kind contributions received during the biennium 2006-2007 amounted to $21.6 million, as disclosed in note 3 (b) to the financial statements (2004-2005: $21.9 million). This represented a 1 per cent decrease compared to the previous biennium. However, the in-kind contributions received by the Brazil and Angola country offices were omitted from the UNDP list of in-kind contributions, resulting in an understatement in the note on in-kind contributions for the biennium 2006-2007.

328. Based on country office visits, the Board noted that Brazil and Angola offices had not conducted valuations of the properties provided by the host Governments. The financial closing instructions issued by UNDP to country offices did not specifically request confirmation from country offices of contributions in kind. There was a risk that other country offices might have omitted to declare contributions received in kind and that that was not followed up by headquarters.

329. **UNDP agreed with the Board's reiterated recommendation that it obtain confirmation from all country offices of the complete value of contributions received in kind.**

22. Programme and project management

Project monitoring

330. The monitoring and evaluation of programmes and projects supported by UNDP are essential management functions that are interactive and mutually supportive. They help UNDP to ensure accountability in the use of resources

entrusted to it, provide a clear basis for decision-making and offer practical lessons from experience to guide future development interventions.

331. Based on country office audit visits, the Board noted that project monitoring and evaluation were not always done consistently and completely. Weaknesses identified included the following:

(a) Information such as risks relevant to a project, problems with or changes to project implementation, and vital monitoring-related information such as annual reports, reviews, deviations from original monitoring dates, reasons for delays and the appropriate steps taken by management to follow up such delays, was either not recorded or incomplete;

(b) Lack of monitoring and evaluation calendars;

(c) Lack of evaluation by the monitoring and evaluation unit and delays in setting up evaluation units at certain country offices.

332. The Board recommended in its reports for the previous two bienniums that UNDP provide guidance to country offices on monitoring the correlation between reported expenditure and the level of project implementation, and improve performance measurement processes to monitor technical implementation in comparison to financial implementation.

333. **The Board recommends that UNDP (a) improve controls over and processes for the monitoring and evaluation of projects, and (b) implement controls to ensure that there is strict monitoring of the link between the financial expenditure on projects and the level of achievement of outputs.**

Project monitoring at the Iraq country office

334. On its audit visit to the Iraq country office, the Board noted the unique nature of that office in that it was located in Amman, Jordan, and the projects were executed in Iraq. UNDP indicated that, given the security situation, on-site visits were limited.

335. The Board noted that UNDP had used alternative methods of monitoring projects "remotely", such as using consultants, Government counterparts and audio-video technology. The Board noted that UNDP had no policies and procedures formalizing the extent and frequency of use of the alternative monitoring methods.

336. **The Board recommends that UNDP (a) formalize the frequency and extent of the alternative monitoring arrangements at country offices where the security situation does not allow frequent on-site project monitoring and (b) develop policies and procedures for project monitoring specific to country offices operating in countries in a situation of conflict.**

Utilization of Atlas

337. The project module on Atlas allows for monitoring budgeted and actual expenditure; monitoring the level of implementation, monitoring and addressing risks; and resolving issues, among many other activities.

338. The Board noted during visits to country offices that they were not fully utilizing the Atlas module for monitoring projects. The Board noted weaknesses, including the following: incomplete/incorrect data were captured in the system; information in the awards overview relating to outputs and target was not always

complete for all projects; the status of projects was not updated; risks were not updated and monitoring activities were not included. The Board is concerned that the functionalities of the Atlas enterprise resource planning system as it relates to project management are underutilized.

339. **UNDP agreed with the Board's recommendation that it (a) provide training to all units on utilization of the project monitoring tool in Atlas, (b) implement processes to increase the use of Atlas to monitor projects at country offices and (c) implement controls to perform monthly reviews of Atlas reports to ensure projects are accurately captured and monitored.**

Timely recording of project expenditure

340. During its audit visit to the Honduras country office, the Board reviewed the reconciliations between UNDP advance balances and project reports as at 31 January 2008. The Board noted that, in certain cases, project expenditure had not been captured from project reports in a timely manner. Cases were noted where project reports had been submitted but the related project expenditure had not been recorded up to eight months later, which would have the effect of expenditure being understated and liabilities overstated.

341. **The Board recommends that UNDP record project expenditure in a timely manner and address delays in obtaining project expenditure reports.**

Project closure

342. The Board noted during its audit visit to the Iraq country office that there were weaknesses in project closure and that UNDP policies and procedures on project closure were not followed in regard to the submission of project review reports; the identification of follow-on action and the updating of outcome evaluation plans; final review by the outcome/project board; the project board's decision to close projects operationally; and agreement on disposal of any UNDP assets.

343. In the absence of the implementation of UNDP policies and procedures for project closure, independent review of the success of projects and lessons learned from completed projects would not always be achieved.

344. UNDP indicated that processes for the closure of projects, including the implementation of project boards, were part of the Prince 2 methodology and were due to be completed after the change management exercise that would be undertaken in 2007.

345. **The Board recommends that UNDP implement stricter controls over the closure of projects, in accordance with UNDP policies and procedures.**

Financial completion of projects

346. On the basis of its audit visits to country offices, the Board noted several weaknesses in the identification and closure of projects. These included both listing projects as operationally complete and as financially complete.

347. Delays in finalizing projects result in delayed reporting to donors, increase the risk of unrelated expenditure being charged to closed projects or late project costs not being captured, delays in transfer of project assets to recipients and delays in refunding or reprogramming surplus funds.

348. **The Board recommends that UNDP (a) prioritize the financial closure of all operationally closed projects and (b) address the causes for delays in the finalization of projects.**

23. Programme expenditure, including nationally executed expenditure

Long-outstanding advances

349. Nationally executed expenditure advances are funds provided by United Nations organizations to Governments and non-governmental organizations to spend on implementing projects in line with the programme objectives of the organizations providing the funds. These advances must be liquidated regularly by setting off expenses pertaining to the projects on receipt of project reports.

350. Country offices provide advances on a quarterly basis and may issue a new advance as long as 80 per cent of the previous advance has been spent. This is intended to ensure that implementing partners have cash available to them while they wait for UNDP to process the financial report and issue a new advance.

351. The Board noted that UNDP had made progress on long-outstanding advances compared to the situation observed in 2005. Advances totalling $15 million had been outstanding for longer than a year. UNDP reviewed those advances and indicated that $8 million of the total related to accounting errors, coding errors and wrongly reported ageing that had not yet been adjusted. The balance of $7 million (47 per cent) of the advances outstanding for longer than a year was still under investigation.

352. The Board noted that seven countries offices accounted for $5.1 million (33 per cent) of the $15 million of advances outstanding for longer than a year.

353. The Board further noted that the seven aforementioned country offices had a good rating (green) on the Atlas dashboard, which was not correct. It was ascertained from a discussion with the management that that was because advances due to and from implementing partners were netted off against each other, with the result that the country offices were not identified on the dashboard as being problematic.

354. Furthermore, the dashboard only monitors advances outstanding for over one year. Thus, problems with advances outstanding for less than a year may not be identified in a timely manner.

355. Nationally executed expenditure advances outstanding for less than a year as at 31 December 2007 amounted to $90.5 million and were aged as shown in table II.22.

Table II.22

Advances outstanding for less than a year

Period	*Amount (United States dollars)*
9-12 months	3 157 549
6-9 months	12 854 762
3-6 months	19 092 945
0-3 months	55 493 503
Total	**90 598 759**

356. The Board noted that $16 million of advances (17 per cent) were outstanding for longer than six months, which could be indicative of problems with those advances, but that the current dashboard would only flag them as problematic once they were outstanding for longer than one year.

357. **UNDP agreed with the Board's reiterated recommendation that it (a) review in a timely manner long-outstanding advances provided to Governments and non-governmental agencies, (b) assess recoverability and make appropriate adjustments for long-outstanding advances, (c) modify its monitoring controls in the Atlas dashboard to identify advances older than six months and (d) modify the Atlas dashboard to identify the gross advances and not the net amount outstanding.**

Audit coverage of nationally executed expenditure, 2006

358. In the terms of the guidelines for the NGO/nationally executed expenditure audit exercise for 2006, it was the responsibility of the country office to ensure that the audit reports were duly reviewed and were submitted to the Office of Audit and Investigations by 30 April 2007. The Board noted that, as at that deadline, only 554 out of 1,866 project audit reports (30 per cent) had been sent to the Office of Audit and Investigations.

359. As at 30 September 2007, 1,717 of the 1,866 project audit reports subject to the planned audit, amounting to $1,783 million (84 per cent), had been received and 149 audit reports amounting to $344 million (16 per cent) had not been received. UNDP subsequently informed the Board that 85 per cent of the audit reports for 2006 had been received.

360. The Office of Audit and Investigations issued an instruction to country offices in February 2008 not to submit any further reports for 2006. The Board was concerned specifically with regard to the impact that that would have on the control environment, as it might set a precedent for country offices not to submit reports. The assurance that the Board had placed in the audit process for nationally executed projects had been compromised and the instruction had placed a limitation of scope on the Board's audit.

361. As the nationally executed expenditure reports were not forthcoming, UNDP and the Board cannot be certain that $158 million worth of nationally executed expenditure incurred in 2006 was valid and that resources were used properly.

362. UNDP informed the Board that it had analysed the statistics relating to the outstanding reports and felt that only $56 million of the total amount outstanding for 2006 required audit. That was because certain projects were directly executed by the country office or were executed with country office support, and consequently would not form part of the audit exercise. However, certain country offices included such projects as part of the audits performed.

363. **UNDP agreed with the Board's recommendation that it update its audit instructions for nationally executed expenditure, so that audit reports are obtained for every planned audit, without delay.**

Audit coverage of nationally executed expenditure, 2007

364. According to the nationally executed expenditure database provided by the Office of Audit and Investigations, the total planned nationally executed expenditure for 2007 was $2,021,378,144, which represented 1,672 project awards.

365. The call of the Office of Audit and Investigations for NGO/nationally executed expenditure audit plans for the 2007 nationally executed expenditure project awards only went out in January 2008 and a revision in February 2008, with the deadline for the submission of nationally executed expenditure final audit reports with certified statements (combined delivery reports, etc.) and nationally executed expenditure reports being set at 30 May 2007. In the past that process had been started earlier, with the deadline for the submission of reports being 30 April, thereby giving the Board the opportunity to review the reports and obtain audit assurance.

366. UNDP indicated that the decision to move the deadline had been reached by consensus among UNDP stakeholders after the Operations Support Group meeting held on 5 December 2007.

367. UNDP targeted 24 high risk country offices with awards planned to the value of $1,352 million (67 per cent of total planned 2007 nationally executed expenditure) and requested them to submit their reports by 30 April 2008 to enable the Board to review the reports during its final audit execution phase in May 2008. That arrangement was not readily accepted by all the offices, but commitment was received that they would try to abide by the new deadline. The statistics for this submission are included in table II.23.

Table II.23

Status of submission of 2007 audit reports for agreed offices as at 13 May 2008

Region	*Awards planned*	*Planned expenditure*	*Reports received*	*%*	*Audited expenditure*	*%*	*Outstanding reports*	*%*	*Outstanding expenditure*	*%*
Africa	154	106 730 818	73	47	24 786 969	23	81	53	81 943 849	77
Asia and the Pacific	160	309 526 424	140	88	137 399 504	44	20	12	172 126 920	56
Arab States	63	55 974 737	60	95	55 636 938	99	3	5	337 799	1
Latin America and the Caribbean	355	879 686 864	217	61	583 319 656	66	138	39	296 367 208	34
Total	**732**	**1 351 918 843**	**490**	**67**	**801 143 068**	**59**	**242**	**33**	**550 775 775**	**41**

368. The statistics indicate that 2007 audit reports supporting $801 million (490 project awards) were available for audit review by the Board. The outstanding balance of $551 million (41 per cent) related to 331 audit reports that were not available for review at the time of the audit.

369. UNDP subsequently indicated that the statistics for 2007 had changed as a result of the arrival of further reports and that, as at 13 June 2008, the status of submission was that shown in table II.24. This table reflects the high submission rate of nationally executed expenditure audit reports.

Table II.24
Status of submission of 2007 audit reports for agreed offices as at 13 June 2008

Region	*Awards planned*	*Planned expenditure*	*Reports received*	*%*	*Audited expenditure*	*%*	*Outstanding reports*	*%*	*Outstanding expenditure*	*%*
Africa	154	106 730 818	141	98	66 923 871.90	63	13	8	39 806 946.10	37
Asia and the Pacific	160	309 526 424	155	97	279 800 320.73	90	5	3	29 726 103.27	10
Arab States	63	55 974 737	63	100	55 936 671.80	100	0	0	38 065.20	0
Latin America and the Caribbean	355	879 686 864	302	85	744 121 580.56	85	53	15	135 565 283.40	15
Total	**732**	**1 351 918 843**	**661**	**90**	**1 146 782 445**	**85**	**71**	**10**	**205 136 398**	**15**

Quantification of nationally executed expenditure audit reports, 2006

370. During the interim audit visit in September 2007, the Board analysed 1,004 nationally executed expenditure project audit reports captured on the Office of Audit and Investigations nationally executed expenditure database and noted that: expenditure amounting to $655 million (772 projects) was unqualified; $311 million (220 projects) was qualified, with a financial impact of $4.9 million; $2.9 million (12 projects) had received an adverse opinion, with a financial impact of $98,869; and $4.4 million (7 projects) had received a disclaimer of opinion, with a financial impact of $153,092. In addition, there were audit reports with expenditure amounting to $71 million (27 projects) on which no audit opinion had been expressed.

371. Out of the total, modified audit opinions concerned 239 projects with a value of $320.3 million of project expenditure, and the total net financial impact of qualified audit reports amounted to $5.15 million.

372. On the basis of the report of the Office of Audit and Investigations to the United Nations Development Programme Executive Board in 2007, the Board of Auditors noted that the figures for 2006 had increased in that total NGO/nationally executed expenditure amounted to $2.45 billion, of which $2.13 billion (87 per cent), pertaining to 1,869 NGO/nationally executed expenditure projects in 121 countries, was required to be audited in 2007. As at 31 December 2007, the Office of Audit and Investigations had received 1,790 audit reports (96 per cent) encompassing NGO/nationally executed expenditure totalling $1.96 billion. Of those received, the Office of Audit and Investigations evaluated 1,711 audit reports (96 per cent), representing $1.7 billion. NGO/nationally executed expenditure auditors found the project financial statements to be fairly presented in 1,252 audit reports (73 per cent) and therefore issued unqualified opinions on them. A total of 332 audit reports (19 per cent) received qualified or adverse opinions or a disclaimer of opinion. The Office of Audit and Investigations further analysed the reports and quantified the direct financial impact of audit qualifications to be $11.8 million, or approximately 0.7 per cent of the total audited NGO/nationally executed expenditure.

373. The Office of Audit and Investigations analysed the findings on the audit reports for 2006 and categorized significant findings relating to nationally executed expenditure audit issues into (a) financial management, (b) recordkeeping systems and control, (c) management and use of equipment/inventory, (d) project progress

and rate of delivery, (e) procurement, (f) human resources and (g) management structure. The audit reports for fiscal year 2006 expenditure generated 5,364 audit issues, 70 per cent of them in the areas of financial management; recordkeeping systems and controls; and management and use of equipment/inventory. The majority of the issues were, however, noted to be of medium and low risk (80 per cent). The high risk issues (20 per cent) mostly related to financial management, and project progress and rate of delivery.

374. Financial management issues included: differences in balances between bank accounts and cash books; payments made without appropriate approval; weakness of financial management systems in monitoring and managing project expenditure; and differences in expenditure between project records, Atlas and combined delivery reports. Issues regarding project progress and rate of delivery included: absence of project reports; incorrect classification of nationally executed projects; non-compliance with execution deadlines; and lack of management and steering committee meetings to monitor and evaluate project progress.

Quantification of nationally executed expenditure audit reports, 2007

375. The Board performed an analysis of the 490 nationally executed expenditure project audit reports captured on the nationally executed expenditure database of the Office of Audit and Investigations and noted that 415 projects were unqualified, 69 projects were qualified, with a financial impact of $3.1 million, and one project received an adverse opinion, with a financial impact of $0.61 million. In addition, the Board noted that there were five projects with total expenditure of $1 million concerning which no opinion had been expressed by the auditor.

376. The Board further noted that the net financial impact of the qualifications for the reports received had decreased to 0.3 per cent, from 1.5 per cent in the previous biennium.

Quality of nationally executed expenditure audits

377. The nationally executed project audits serve as an important basis for UNDP to determine the extent to which the funds provided to implementing partners are being utilized for the purposes intended. Depending on the outcome of the audit, either an unqualified opinion (no material findings), a qualified opinion (material findings), a disclaimer or an adverse opinion is expressed.

378. The Board noted that where qualified audit opinions were provided, it was not always clear what the exact error giving rise to the qualification was. The Board noted instances where reports were qualified where the net financial impact was very low and instances where reports were qualified but the expenditure that was audited was not part of the scope of the audit. In other qualified audit reports, the amount of the qualification was not provided. This created a risk that the Board could not place reliance on the work performed for the nationally executed expenditure audits.

Completeness of the nationally executed expenditure database

379. The database of the Office of Audit and Investigations was used to extract samples and validate information. Inconsistencies were noted with regard to the input of information which were attributed to various users inputting information into the master database. Examples of inconsistencies were:

(a) As part of the newly implemented risk-based approach in the awarding of nationally executed expenditure audits, the Office of Audit and Investigations was required to randomly select 50 projects over and above the requirements for audits based on other stipulated criteria. The Board used the information captured in the master database of the Office of Audit and Investigations to verify that the 50 project awards had been made but, owing to the inconsistent capturing of data in the database, the Board was only able to verify 15 of the 50 projects selected. That matter had been since been rectified;

(b) Spelling errors (for example, "qualification" had been spelt in at least three different ways) and the omission of information had led to inconsistent statistics being drawn.

380. There was a risk that the inconsistent or inaccurate capture of data in the database reduced the reliability of the nationally executed expenditure data. The Office of Audit and Investigations indicated that the above-mentioned errors were due to the fact that various persons captured the data, and to a lack of Excel/database "programmed" controls and independent reviews.

381. **UNDP agreed with the Board's recommendation that it ensure that:**

(a) **The Office of Audit and Investigations review the accuracy and completeness of nationally executed expenditure audit reports captured in the nationally executed expenditure database;**

(b) **The UNDP regional bureaux emphasize to country offices and project auditors the basis on which audit reports should be qualified and also the importance of quantifying the underlying causes for the opinions expressed;**

(c) **It follow up on all outstanding audit reports;**

(d) **It include a measurable indicator in the balanced scorecard for the timely submission and quality of nationally executed expenditure audit reports;**

(e) **It improve the nationally executed expenditure database data entry controls.**

Combined delivery report

382. According to the terms of reference provided to the auditors on conducting audits for financial year 2006 nationally executed expenditure and non-government executed expenditure, project audits require auditors to certify, express an opinion on and quantify the financial impact for each of the following statements:

(a) Statement of expenditure (combined delivery report);

(b) Statement of assets and equipment held by the project as at 31 December 2006;

(c) Statement of cash position reported by the project as at 31 December 2006.

383. As at 24 September 2007, 50 (3 per cent) of the 1,717 combined delivery reports had not been received. Without the certification supplied by the auditors, the Board may not have the information to obtain assurance on the amounts of expenditure, assets and cash position that were subject to the audit, and on which the opinion was being expressed.

Incomplete audit plans

384. Section IV, paragraphs 18 to 22 of the guidelines for the NGO/nationally executed expenditure audit exercise for 2006 stated that country offices were required to complete the audit plans in the format provided by the Office of Audit and Investigations.

385. The Board selected country office audit plans and noted that not all plans were submitted with a separate list of all active projects with expenditure below $100,000 and an indication as to which projects had been audited at least once in their life cycle.

386. There was a risk that projects that should be audited would not be audited and that the Office of Audit and Investigations would not review the audit plans to ensure that they included all projects that should be audited.

387. **UNDP agreed with the Board's recommendation that it (a), in conjunction with the Office of Audit and Investigations, implement a tracking system to monitor the completeness of audit plans and (b) include the estimated completion date of projects in the audit plans to ensure all projects have been audited at least once in their life cycle.**

388. The Office of Audit and Investigations informed the Board that it had requested country offices to provide information on the "once in a life cycle" audit requirement for awards with expenditure below $100,000 and to include it in their 2006 NGO/nationally executed expenditure audit plans. It was the first year that that information had been requested by the Office of Audit and Investigations, as it was the responsibility of the country offices to keep track of those data and ensure that that requirement was met. The purpose for requesting the information was to determine the number of additional audits that would be undertaken in respect of the "once in a life cycle" audit requirement.

Audit plans 2007

389. In the 2007 call for audit document dated 6 February 2008, the Office of Audit and Investigations introduced a risk-based approach for the selection of NGO/nationally executed expenditure awards to be audited.

390. A review of the submission of the audit plans was verified against the listing of country offices and the level of outcomes assigned to each country office, and the results indicated that, as at 31 January 2008, 29 per cent of country offices had not submitted their audit plans to the Office of Audit and Investigations.

391. UNDP indicated that the submission of audit plans had improved from 60 per cent of country offices submitting by the deadline in 2005 to 71 per cent in 2007.

392. **UNDP agreed with the Board's recommendation that it ensure that the country offices comply with the deadlines prescribed in the call for audit.**

International financial institutions

393. UNDP enters into formal agreements with international financial institutions like the World Bank, the African Development Bank, the Asian Development Bank and the Inter-American Development Bank. The international financial institutions provide loans or grants. There is a tripartite relationship between the Government,

the international financial institution and UNDP which is key to making this form of cooperation work. In the partnership, the Government leads on the technical side in the preparation of the project/programme (mostly with the support of the international financial institution and at times UNDP), the international financial institution provides financial resources (a loan or grant) and UNDP supports the implementation of the project.

394. Guidelines have been issued by the Office of Audit and Investigations in line with regulations 16.04 and 16.06, rule 116.04, and regulation 26.08 of the UNDP Financial Regulations and Rules. The guidelines state:

> For awards funded by international financial institutions, a separate audit for UNDP purposes need not be carried out as long as (a) the international financial institution's audit report will be made available to UNDP on a timely basis (no later than 30 June); (b) the international financial institution's audit report either includes the UNDP combined delivery report or the UNDP-funded expenditures are separately identified in the audited financial report; and (c) the international financial institution's audit report includes a clear audit opinion and any qualification clearly indicates the financial impact.

395. Furthermore, section 45 of the guidelines states:

> 45. As indicated above, the objective of a NGO or nationally executed expenditure audit is to provide UNDP with an assessment as to whether the resources are properly managed. Therefore, where projects are international financial institution-funded and subject to the requirement for annual international financial institution audits, as long as this objective is achieved via the international financial institution audit then an additional UNDP audit is not necessary.

Audit of 2006 international financial institution projects

396. Of the 42 international financial institution projects with a total audit expenditure of $184,286,681 for 2006 that were planned for audit, reports were received for 35 (83 per cent), representing $147 million of audit expenditure (80 per cent). The reports received reflected that:

(a) Twelve reports with project awards amounting to $33.29 million had unqualified opinions;

(b) Nine reports, representing total award expenditure of $40.55 million, did not have audit opinions;

(c) Fourteen reports, representing total awards of $73.65 million, received qualified opinions.

397. Seven reports for which audits were planned, with award expenditure valued at $33.29 million, were not submitted to the Office of Audit and Investigations. Details of the qualified opinions on the 14 international financial institution audit reports for 2006 that received them are provided in table II.25.

Table II.25

Financial impact of qualified audit opinions, 2006

Opinion	Number of awards	Award amount (United States dollars)	Amount of financial impact: Credit[a] (United States dollars)	Amount of financial impact: Debit[a] (United States dollars)
Qualified	9	67 524 941	-467 073	1 039 789
Qualified (no financial impact amount provided)	5	6 219 285		
Total	**14**	**73 653 699**	**-467 073**	**1 039 789**

[a] The debit balances reflect understatement of expenditure and the credit balances overstatement of expenditure that was reported.

Status of 2007 international financial institution reports

398. The call for audit of international financial institution project reports stipulated that international financial institution reports had to be submitted by 30 June 2008. This did not allow adequate time for the Board to evaluate international financial institution audit reports and related expenses. Together with the weaknesses identified in the 2006 international financial institution evaluation, the Board was concerned about the delay in obtaining the international financial institution audit certificates. Details are provided in table II.26.

Table II.26

2007 International Financial Institution projects

Details	Planned expenditure (United States dollars)	Number of projects
Audit reports received as at 13 May 2007	70 512 856	23
Audit reports not received as at 13 May 2008	172 105 182	55
Total planned 2007 international financial institution expenditure	242 618 038	78
Percentage of total expenditure not received	71%	71%

Source: Office for Audit and Performance Review master database.

399. As at the date of audit (13 May 2008), the international financial institution reports that had been received had not yet been evaluated nor had the opinions on them been captured into the database. UNDP indicated that the reports had been reviewed but had not yet been included in the database as they were still pending final clearance.

400. UNDP subsequently provided updated statistics as at 13 June 2008 which had not been reviewed by the Board (see table II.27).

Table II.27

2007 International Financial Institution projects, updated data as at 13 June 2008

Details	*Planned expenditure (United States dollars)*	*Number of projects*
Audit reports received as at 13 June 2008	150 944 127	45
Audit reports not received as at 13 June 2008	91 673 911	33
Total planned 2007 international financial institution expenditure	242 618 038	78
Percentage of total expenditure not received	38%	42%

401. **UNDP agreed with the Board's recommendation that it (a) review all processes, dates for calls for audit and deadlines for international financial institution audits; and (b) obtain the outstanding international financial institution reports.**

24. Multi-donor Trust Fund Office

402. The Board visited the Multi-Donor Trust Fund Office in New York from 27 November to 14 December 2007, as an extension of audit procedures performed on UNDP for the biennium ended 31 December 2007. The purpose of this audit was to provide an independent assessment of UNDP in its role as the Administrative Agent for the Iraq Trust Fund since its inception, as set out in the signed memorandum of understanding and the letter of agreement.

403. The Board noted that, as at 31 December 2007, the Multi-Donor Trust Fund Office had received gross donor contributions of $1.116 billion for the United Nations Development Group Iraq Trust Fund, which represented 99 per cent of the total commitments made by donors as at that date. Of that amount, $885.85 million had been transferred to 16 implementing agencies by 31 December 2006. The five largest contributors were the European Community ($461 million), Japan ($361 million), the United Kingdom ($56 million), Spain ($48 million) and Canada ($46 million).

404. The Board noted that some letters of agreement signed between UNDP and the European Union (EU) were not prepared in accordance with the standard format, as the EU insisted on other arrangements.

405. **The Board recommends that UNDP ensure that the Multi-Donor Trust Fund Office negotiate with all donors to ensure that letters of agreement are prepared and signed in accordance with the standard format.**

406. The Multi-Donor Trust Fund Office stated that the Executive Committee of the United Nations Development Group had agreed that the European Commission (EC) would be dealt with as an exception for which the standard EC/United Nations agreement would need to be used as opposed to the specific United Nations Development Group Iraq Trust Fund letter of agreement. EC and the United Nations had signed the Financial and Administrative Framework Agreement in 2003; therefore, any subsequent Multi-Donor Trust Fund letter of agreement signed between UNDP, as the Administrative Agent, and EC would need to be modified to make appropriate reference to the Financial and Administrative Framework

Agreement while ensuring that the principal provisions of the standard letter of agreement were maintained. This decision was agreed to at the signing of the European Commission/United Nations Development Group Iraq Trust Fund agreement.

407. The Board noted that for certain transactions tested, administrative agent fees were not deducted at the time of the receipt of the contribution as required by the letters of agreement. That had been prevalent during the start-up phase of the Multi-Donor Trust Fund-Iraq Trust Fund office and the amounts were not significant.

408. **The Board recommends that UNDP ensure that the Multi-Donor Trust Fund Office ensure that the Administrative Agent's fees are deducted from the contribution, in accordance with the requirements of the letter of agreement.**

409. The Multi-Donor Trust Fund Office stated that it had processes to ensure that at all times the Administrative Agent's fee was deducted from the donor contributions at the time of deposit and before they were applied to the operational United Nations Development Group Iraq Trust Fund account for approved projects. The cases noted related to the start-up period for the Multi-Donor Trust Fund Office, in March 2004, when it was not fully operational.

410. The Board noted that the direct costs for the United Nations Development Group Iraq Trust Fund Steering Committee Support Office and the International Reconstruction Fund Facility for Iraq secretariat were charged at a notional rate of 0.15 per cent, based on an estimate of such costs for the four-year cycle of the fund. The letter of agreement required costs to be charged on the basis of actual costs.

411. **The Board recommends that UNDP ensure that the Multi-Donor Trust Fund Office, in consultation with the implementing agencies, consider revising the requirement relating to direct costs as set out in the letter of agreement to reflect that direct costs will be calculated on estimated costs for budgeting purposes.**

412. The Board noted that implementing agencies were required to submit reports, but the memorandum of understanding did not indicate whether those reports should be certified. However, based on discussions with the Multi-Donor Trust Fund Office, the Board noted that the Multi-Donor Trust Fund Office and implementing agencies had agreed to submit certified financial statements, even though that was not a requirement stipulated in the memorandum of understanding. Certification of reports might provide the management with some assurance regarding the accuracy of reports submitted, thereby limiting the propensity to make adjustments prior to submissions.

413. The Multi-Donor Trust Fund Office was not responsible for actively monitoring projects or for evaluating the state of projects or the reasonability of the expenditure figures reported by implementing agencies. That could stem from the fact that the current memorandum of understanding between the Multi-Donor Trust Fund Office and the implementing agencies did not require such monitoring and control processes.

414. **The Board recommends that UNDP ensure that the Multi-Donor Trust Fund Office, in consultation with the implementing agencies, consider, when revising the memorandum of understanding, providing for the possible**

certification of financial statements and the possible extension of the role of the Multi-Donor Trust Fund Office to include monitoring and control processes.

415. The Board noted, with regard to reports UNDP submitted as an implementing partner to the Multi-Donor Trust Fund Office, that: (a) some adjustments were made to reported expenditure amounts; (b) some negative expenditure amounts were reported; and (c) some discrepancies were identified relating to projects implemented by UNDP.

416. **The Board recommends that UNDP implement control measures to ensure that accurate financial statements are submitted on a timely basis.**

417. The Multi-Donor Trust Fund Office derived its assurance regarding funded projects from the expenditure reports submitted by implementing agencies. The Multi-Donor Trust Fund Office and the Board noted errors and weaknesses in the expenditure reports. In view of the significance of the cumulative amount being administered, the Multi-Donor Trust Fund Office and the groups of donors may need to seek more assurance regarding the funds expended.

418. The Board noted the requirements of article VI of the letter of agreement signed between UNDP and the donors regarding the operational aspects of the United Nations Development Group Iraq Trust Fund, which stated:

> Monitoring and evaluation of the project activities including, as necessary and appropriate, joint evaluation by the participating United Nations organizations, the Administrative Agent, the donor, the Government and other partners shall be undertaken.

419. The Board is concerned about the contradictions noted, as well as the fact that footnote 3 in the terms of reference appears to eliminate any responsibilities that the Administrative Agent may have regarding the monitoring and evaluation of projects. However, considering the significance of the cumulative amount, approximately $1.1 billion, being administered by the Multi-Donor Trust Fund Office, and in accordance with best practice, it is essential that the Multi-Donor Trust Fund Office implement its own processes to monitor and evaluate projects at a higher/overall level. The need for overall monitoring and review of projects has further been exemplified by the discrepancies identified elsewhere in the present report. If, however, UNDP, as Administrative Agent, does in fact have no role in the monitoring and evaluation of projects, then the Multi-Donor Trust Fund Office should, in consultation with the relevant parties, consider amending the letter of agreement.

420. **The Board recommends that UNDP work with donors to strengthen the role of the Multi-Donor Trust Fund Office in monitoring projects executed by its implementing partners and implementing processes to evaluate the submissions made by the implementing agencies.**

421. The Multi-Donor Trust Fund Office emphasized that that recommendation was currently beyond its scope as Administrative Agent. However, the Multi-Donor Trust Fund Office concurred that there was a gap in the overall monitoring and evaluation of projects, and their outputs and outcomes, but stated that that legitimate concern of the Board could be dealt with separately by the United Nations Development Group Iraq Trust Fund Steering Committee or the UNDP Administrator, in his capacity as the Chair of the United Nations Development Group. Furthermore, to address that

gap, the United Nations Development Group Iraq Trust Fund Steering Committee was currently strengthening its capacity to improve thematic monitoring.

25. Global Environment Facility

422. The operations of the Global Environment Facility (GEF) are coordinated by the secretariat in Washington, D.C., headed by the Chief Executive Officer, and are carried out by a tripartite partnership composed of UNDP, the World Bank and the United Nations Environment Programme, which are referred to as the implementing agents. UNDP plays the primary role in ensuring the development and management of capacity-building programmes and technical assistance projects.

423. The Board performed a review of GEF (UNDP) during 2007 for the year ended 31 December 2006. The Board reviewed the reasonableness of the statement of expenditure for GEF by obtaining assurance on the income received and the expenditure incurred, including by reviewing key controls at UNDP that were directed to validating expenditure.

424. In 2006, $109 million of the total $215 million was expended using the national execution modality. The Board noted weakness in controls over the national execution modality project audit process and its results.

425. The national execution modality project audits serve as an important basis for UNDP to determine the extent to which the funds provided to implementing agents are being utilized for the purposes intended. The Board had concerns over the national execution modality audit process. Those concerns included (a) the selection of national execution modality auditors and the quality and accuracy of audit reports; (b) outstanding audit reports; and (c) long-outstanding combined delivery reports. The Board also noted issues regarding long-outstanding national execution modality advances and the need for increased disclosure in the financial statements.

26. Harmonized approach to cash transfer

426. Pursuant to the General Assembly resolution 56/201 on the triennial policy review of operational activities for development of the United Nations system, UNDP, UNICEF, UNFPA and WFP (the United Nations Development Group Executive Committee funds and programmes) adopted a common operational framework for transferring cash to Government and non-government implementing partners. Its implementation was intended to significantly reduce transaction costs and lessen the burden that the multiplicity of United Nations procedures and rules creates for its partners. This approach is referred to as the harmonized approach to cash transfer modality.

427. The harmonized approach to cash transfer had only been fully implemented in a few countries, none of the country offices for which were visited by the Board. The Board however, reviewed the status of harmonized approach to cash transfer implementation during its country office visits.

428. Based on its review, the Board noted that many country offices faced unique implementing challenges and that, although certain activities were completed, many harmonized approach to cash transfer activities still needed to be carried out. For example, the management sometimes indicated that the harmonized approach to cash transfer was not recognized as a priority approach and in other cases the

management indicated that the harmonized approach to cash transfer should be gradually implemented based on country capacity.

429. UNDP indicated that support to country offices was provided on an ongoing basis through discussions with the inter-agency Harmonized Approach to Cash Transfer Advisory Group and the Development Operations Coordination Office, as well as through the harmonized approach to cash transfer network. The issues raised by the country offices had been consolidated and responses had been developed through inter-agency consultations. At the same time, Regional Directors' teams were following up on country-specific issues in their respective regions.

430. **The Board recommends that UNDP identify and assist country offices that are encountering difficulties in implementing the harmonized approach to cash transfer.**

27. Common services

431. Common services are a generic term used to describe the implementation of common administrative functions among United Nations organizations. Common services enable country offices to consolidate operations at the local level, which provides them with significant organizational benefits (financial and non-financial).

432. The establishment of common services constitutes an important component of the Secretary-General's reform agenda. In his programme of reform, the Secretary-General emphasized the need to pursue harmonized programme and budget frameworks, services, facilities, administration and personnel practices. The call for common services has been reiterated in subsequent General Assembly resolutions, in which the Member States called for the United Nations system to promote the sharing of administrative systems and services.

433. The common services programme began in 2000. It included a pilot phase involving eight United Nations country teams, followed by an initial evaluation of the pilot experiences. In 2004, an expansion phase was launched, with a target of 142 United Nations country teams. UNDP stated that, as at 31 May 2008, 91 countries had adopted the common services programme developed by the United Nations Development Group, and had made use of common services experts.

434. As at the date of the respective country office audits, the Board noted that the common services programme had not been implemented in Angola, Argentina or Iraq.

435. **The Board recommends that UNDP implement the common services programme.**

Memorandum of understanding

436. The UNDP operational user guide states that in order to ensure that the establishment of the common services process is transparent and formal, an inter-agency standard memorandum of understanding specifying all arrangements as well as stipulating each agency's rights and obligations needs to be carefully drafted, negotiated and, finally, signed by all the concerned agencies.

437. The lack of a detailed and signed memorandum of understanding may result in agencies being unaware of their duties and responsibilities, which may ultimately have an impact on the achievement of objectives and the recovery of costs. The

Board noted that at the Liberia country office there was no finalized memorandum of understanding with any of the agencies.

438. **The Board recommends that UNDP, in collaboration with the Development Operations Coordination Office, implement controls to ensure that standard memorandums of understanding are completed for all common service agreements at the country level.**

439. The Board noted during its country office visits that at six country offices the memorandums of understanding with the other United Nations agencies had not been updated since they had been concluded and that they were outdated in terms of their conditions and clauses concerning, for example, the currencies used, space occupied and agencies no longer occupying the building. The lack of detailed, signed memorandums of understanding that are up to date will result in the various agencies being unaware of their duties and responsibilities, which may ultimately have an impact on the achievement of objectives and the recovery of costs.

440. **The Board recommends that UNDP, in conjunction with the Development Operations Coordination Office, review all common service memorandums of understanding to ensure that they are updated, relevant and in accordance with the recently promulgated standard.**

Common services management system

441. UNDP had developed a management system which was expected to assist in capturing both qualitative and quantitative common services information. The common services management system is an online tool whereby all agencies within a country office would enter data on common services into the system, since the pilot launch to 20 countries in 2006.

442. UNDP previously agreed with the Board's recommendation that it expedite the roll-out of the system. The Board noted that there had not been further roll-out of the system.

443. **The Board reiterates its previous recommendation that UNDP expedite the roll-out of the common services management system.**

444. UNDP responded that the common services management system would be one of the tools used to support the United Nations country team accountability framework, and that a wider roll-out of the system would take place in that connection.

Common services experts

445. Staff at UNDP have been trained to provide expert advice on common services processes and procedures. The functions and duties of the common services experts include providing training, mentoring and technical advice; contributing to the development and implementation of overall common services programme tools; and ensuring that inter-agency common services initiatives are established and/or advanced in all the countries in their respective regions.

446. During the country office audits, the Board noted that the Honduras country office had not yet made use of any common service expert in the Latin American region, although common service workshops had been organized in 91 countries.

447. The use of the common service experts would assist country offices in the identification of additional areas for common services, which could result in economies of scale.

448. **The Board reiterates its previous recommendation that UNDP encourage country offices to make use of a common services expert to facilitate the overall implementation of common services at country offices.**

28. Safety and security

449. The increase in global threats to United Nations operations, the expanding involvement of UNDP in post-conflict situations and the difficult operating environments for many programmes require vigilance and appropriate security management.

450. The relationship between the Department of Safety and Security of the United Nations and UNDP is governed by the framework for accountability for the United Nations security management system, approved on 29 March 2007 by the General Assembly. In the context of the framework of accountability, the Department provides safety and security services to UNDP as a member of the United Nations security management system. A memorandum of understanding signed between the Department of Safety and Security and UNDP in August 2006 defines the support services to be provided by UNDP to the Department in the areas of budget, finance, personnel, procurement, asset management and general administrative support services.

Balanced scorecard

451. Compliance with the minimum operating security standards had been incorporated in the balanced scorecard, to facilitate and measure compliance. The Board noted that this was only for recordkeeping purposes and did not affect the overall scorecard outcome. The balanced scorecard indicators taken from the strategic plan for 2007 stated that the security indicator measure would be limited to the first indicator only and would be built on the compliance with the minimum operating security standards of the main UNDP office in a country and would be defined along the three major directions of: (a) safety of human resources (training and minimum operating security standards), (b) safety of physical resources (equipment/radios, cars) and (c) safety of UNDP facilities, and business continuity.

Table II.28

Security phase and compliance with the minimum operating security standards by region as at 31 December 2007

	Number of countries in:					*Offices compliant with the minimum operating security standards*	
Region	*No phase*	*Phase I or II*	*Phase III*	*Phase IV*	*Phase V*	*Yes*	*No*
Africa	13	17	6	8	0	27	17
Asia and the Pacific	10	8	6	0	0	21	3
Arab States	4	8	4	1	2	5	14

	Number of countries in:					*Offices compliant with the minimum operating security standards*	
Region	*No phase*	*Phase I or II*	*Phase III*	*Phase IV*	*Phase V*	*Yes*	*No*
Europe and Commonwealth of Independent States	12	9	2	3	0	26	0
Latin America and the Caribbean	13	12	1	0	0	24	2
Headquarters and liaison offices	0	0	0	0	0	6	0
Total	**58**	**54**	**19**	**12**	**2**	**109**	**36**

Source: UNDP.

452. Table II.28 shows that as at 31 December 2007, the total UNDP compliance level was 75 per cent, with headquarters and liaison offices being 100 per cent compliant and the Regional Bureau for Arab States only 26 per cent compliant. However, the following information provided to the Board by the management of UNDP security should be taken into consideration when interpreting the information contained in table II.28:

(a) The table reflects the compliance with the minimum operating security standards of main offices in capitals only;

(b) Measurement was done according to the Department of Safety and Security self-assessment, which did not include the security of premises. For that reason, UNDP was designing its own self-assessment format, to include the security of premises and the mainstreaming of security;

(c) Since 31 December 2007, the assessment of the global security risk against the United Nations had changed and that would invariably affect the figures negatively, as countries that were shown as being compliant with the minimum operating security standards might no longer be compliant.

Security policies and procedures

453. A review of the UNDP security website revealed that the documentation and policies contained on the web page had not been updated since 2004. The security management informed the Board in discussions that a review process had been undertaken and updated guidelines were in the process of being prepared.

454. **UNDP agreed with the Board's recommendation that it (a) include in the measurement of compliance with the minimum operating security standards the compliance of all sub-offices within countries; (b) measure the effects of the change in global security risk to the United Nations against its results and take steps to ensure that the accurate level of compliance with the minimum operating security standards is known and addressed accordingly; (c) have the results of country self-assessments evaluated independently of the country offices (by the Department of Safety and Security of the United Nations or by UNDP regional security advisers); and (d) update the policies and procedures and load them onto the website.**

455. UNDP stated that it intended to include in its strategic plan, 2008-2011 evaluation of the compliance of sub-offices with the minimum operating security standards by the end of 2008, but not of project offices.

29. United Nations Capital Development Fund

456. The United Nations Capital Development Fund (UNCDF) is a fund established by the General Assembly; it reports its financial results together with UNDP. During the biennium 2006-2007, total income of $60.6 million exceeded total expenditure of $56.6 million, resulting in a surplus and an increase in the fund balance of $3.9 million (10 per cent) to $41.3 million as at 31 December 2007.

457. At its first regular session in 2006, the Executive Board requested that UNDP and UNCDF work towards finalizing a memorandum of understanding between the two organizations setting forth the key elements of their strategic, operational and financial partnerships. At its annual session in June 2006, the Executive Board again requested that UNDP and UNCDF finalize the strategic agreement between the two organizations.

458. The Board noted that the Executive Board, at its first regular session in 2008, had noted the progress made in finalizing the details of the strategic partnership between UNDP and UNCDF, particularly with respect to: (a) integrating the UNCDF contribution into the UNDP strategic plan, 2008-2011; and (b) achieving the strategic and operational objectives of the partnership.

459. UNDP indicated that SMART indicators to measure progress in implementing the strategic partnership were included in the UNCDF balanced scorecard and the UNDP biennial support budget. Bi-monthly meetings between the UNDP Associate Administrator and the UNCDF Executive Secretary were used to monitor and review the progress made in implementing the strategic partnership on a regular basis, address bottlenecks and identify new partnership opportunities as they arose.

30. United Nations Development Fund for Women

460. The United Nations Development Fund for Women (UNIFEM) is a fund established by the General Assembly; it reports its financial results together with UNDP. The Board performed an analytical review of the UNIFEM account balances for the biennium ended 31 December 2007 and noted that the balances included an amount of $2,738,837 as a receivable. The Board noted that that amount had been outstanding since 2005 and recovery was doubtful. UNIFEM informed the Board that the balance related to payments and charges made by UNDP on behalf of UNIFEM between 1999 and 2003 and that it was not able to clear those amounts with UNDP.

461. **UNIFEM agreed with the Board's recommendation that, in conjunction with UNDP, it resolve all disputed balances to ensure that balances are not misstated.**

31. Special audit of United Nations activities in the Democratic People's Republic of Korea

462. During the biennium, pursuant to article VII of the Financial Regulations and Rules of the United Nations, ACABQ requested the Board of Auditors to carry out a special audit of the operations of the United Nations in the Democratic People's Republic of Korea, including the United Nations funds and programmes which fall within the Board's mandate, and to report its findings to ACABQ.

463. In accordance with the request of ACABQ, the scope of work for the preliminary phase was limited to four entities, including UNDP. The work focused on the five-year period from 1 January 2002 to 31 December 2006.

464. In accordance with the request of ACABQ, the Board focused on foreign currency transactions, the hiring of staff and access to reviewing local projects. Because of the limited scope of the assignment, the Board did not express any opinion on the financial results of any of the activities in the Democratic People's Republic of Korea of the four entities. The audit was limited to personnel and documents made available in New York.

465. The Board's major findings in respect of the three focus areas were contained in its report addressed to ACABQ in May 2007. In that report, the Board dealt with the three focus areas and reported on the shortcomings it had observed. Accordingly, in respect of the initial request of ACABQ, the Board, in its report, had not suggested any further procedures for the Board to perform.

466. ACABQ further requested the Board to complete its audit and visit the agency offices in the Democratic People's Republic of Korea. The Board accepted the assignment subject to conditions necessary to enable the Board to complete its work, which the Administration had confirmed. The Administration, however, was unable to obtain the agreement of the Government of the Democratic People's Republic of Korea that visas would be granted to the Board. The Board reported to ACABQ on its inability to complete its work.

467. The Board expressed its concern about the lack of access provided in this case to the independent external auditor of the United Nations to perform a field visit and stresses that all United Nations agencies must have irrevocable rights of access, monitoring and external independent review for their activities.

468. The External Investigative Review Panel was established by UNDP in September 2007 in order to conduct a comprehensive and detailed investigative review of the UNDP Democratic People's Republic of Korea country office operations for the period from 1 January 1999 to 1 March 2007. On 31 May 2008 the Panel concluded its review and presented its report to the Administrator.

32. Inter-Agency Procurement Services Office

469. The Board visited the UNDP Inter-Agency Procurement Services Office (IAPSO) in Copenhagen as part of the audit for the biennium ended 31 December 2007.

Partial merger of IAPSO with UNOPS

470. With the endorsement of the Executive Board and a formal agreement between UNDP and UNOPS, UNDP transferred part of the functions performed by IAPSO to UNOPS effective January 2008.

471. UNOPS has taken over the direct procurement of common user items such as vehicles and office and communications equipment, performed through the Web Buy system. UNOPS has also taken over IAPSO responsibilities for those services that support the United Nations procurement system, principally the United Nations Global Marketplace, which is the portal for the vendor community for United Nations system procurement opportunities, permitting the registration of suppliers worldwide to supply goods and services to the United Nations system and providing access to procurement notices and contract awards.

472. As a result of the partial merger, UNDP and UNOPS agreed to a one-time transfer of $3.9 million from UNDP to UNOPS as a means of covering future liabilities associated with staff transferred from IAPSO to UNOPS, as well as of making a contribution towards start-up costs and business risks faced by UNOPS from 1 January 2008.

473. On the basis of its audit of IAPSO, the Board made several findings and recommendations. Owing to the merger of IAPSO with UNOPS, those findings and recommendations are contained in the Board's report on UNOPS for the biennium 2006-2007 (A/63/5/Add.10), as UNOPS will have to ensure their implementation.

33. Internal audit function

Internal audit function

474. The Office of Audit and Investigations (previously known as the Office of Audit and Performance Review) appointed a firm of quality assurance advisers to perform a quality assessment of its internal audit activity during the period from November 2006 to February 2007. The quality assessment report was issued on 30 June 2007.

475. The primary scope and objective of the quality assessment was (a) to assess the internal audit activity's conformity with the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing and Code of Ethics; (b) to evaluate the effectiveness and efficiency of the internal audit activity; and (c) identify opportunities to enhance the internal audit activity's management of internal audit resources and work processes, as well as the value to UNDP of the internal audit function.

476. The quality assessment report's overall appraisal of the internal audit activity was that it "partially conforms" to the Standards, and "generally conforms" to the Code of Ethics.

477. The Office of Audit and Investigations provided the Board with an update on the implementation of the quality assessment recommendations. Where applicable, those recommendations have been incorporated in the following sections.

Matters for the attention of senior management, the Audit Advisory Committee and the Executive Board

478. The quality assessment report identified matters that were external to the internal audit activity, but that had an impact on the internal audit and UNDP, and might need to be addressed by the senior management of UNDP. The following matters needed to be addressed:

(a) There was no formal risk management policy across UNDP which allocated responsibility and accountability for the identification, measurement and control of various risks, or any mechanism for ensuring that the risks were addressed at the highest levels within UNDP. The internal audit was to be allocated the responsibility of auditing the application of such a policy and of providing assurance as to its efficiency and effectiveness. The Board noted that the enterprise risk management policy was formalized and endorsed by the Enterprise Risk Management Committee in February 2007;

(b) Owing to the lack of the aforementioned risk policy, there was also no enterprise risk management being applied and operationalized. The Board noted that the recommendations on enterprise risk management were being addressed;

(c) The internal audit activity was not allocated the responsibility of providing assurance to the management about key business processes and internal controls that support the financial statements. The Board noted that the approved charter of the Office of Audit and Investigations now included as part of the mandate of the Office that it provide reasonable assurance as to the reliability and integrity of financial information;

(d) The internal audit activity received its funding and budget approval through the Bureau of Management, a major client of the internal audit. That might interfere with the internal audit activity's independence. The quality assessment recommended that the budget be approved by the Administrator in consultation with the Audit Advisory Committee. The Office of Audit and Investigations informed the Board that the recommended consultation process had been included in the charter of the Office and the revised terms of reference of the Audit Advisory Committee that had been approved by the Administrator in February 2008. That new procedure would apply to future budgets;

(e) The internal audit activity did no verification of supporting audit documentation and information for nationally executed and directly executed expenditure but relied significantly on audited financial reports provided to it. The quality assessment identified the need for the Office of Audit and Investigations to perform further work to verify auditor competence, the scope of work, the audit focus, the basis for findings and the reliability of reporting. The Office of Audit and Investigations indicated that it had now started processes to review direct execution working papers and that the review of nationally executed expenditure might form part of the decentralized structure of the nationally executed expenditure audit process in the next year;

(f) The Audit Advisory Committee, in conjunction with the Administrator, needed to play a part in the appointment, evaluation and/or dismissal of the Chief Audit Executive. The Audit Advisory Committee was involved in the selection of the new Chief Audit Executive late in 2007. Furthermore, the recommended role of the

Audit Advisory Committee has been formalized in the charter of the Office of Audit and Investigations and the revised terms of reference of the Committee.

479. The Board was in agreement with the quality assurance findings and adds that the above-mentioned structural and organizational matters may have an impact on the effectiveness and efficiency of UNDP and of the internal audit activity and thereafter on the reliance that can be placed on the internal audit activity.

480. **UNDP agreed with the Board's recommendation that it address the outstanding organizational and structural matters identified in the internal audit quality assessment report.**

Matters for the internal audit activity

481. The quality assessment report also highlighted matters relating to the internal audit activity's own processes and the way it conducts its function, and noted certain weaknesses. It was noted in the report that:

(a) The internal audit activity did not have a formally approved charter that governed its activities. The draft charter of the Office of Audit and Investigations did not specify the level of assurance to be provided or provide for funding security. The Board noted that the charter was subsequently approved in February 2008;

(b) The internal audit activity did not have a formal and complete quality assurance and improvement programme. The Office of Audit and Investigations indicated that the quality assurance and improvement programme was included in the 2008 workplan approved by the Administrator;

(c) Audit manuals for the country office audits were outdated and were currently being rewritten;

(d) The internal audit activity did not have a comprehensive risk-based audit plan with a focus on cross-cutting processes and emphasis on the information technology audit;

(e) The risk of fraud was not consistently applied across all audits at the engagement planning stage. Also, there was not always sufficient evidence that fraud had been assessed and the assessment carried through to the audit work to the extent required by the internal audit standards;

(f) The basis for allocation of internal audit activity resources needed to be aligned to the agreed level of assurance to be provided. The Office of Audit and Investigations indicated that the allocation of resources was risk driven and that that would be confirmed when the periodic quality assurance assessments were completed;

(g) There was very little use of information technology audit resource tools that could improve the efficiency and effectiveness of the audits;

(h) The work papers of the internal audit activity could be improved;

(i) The internal audit activity needed to ensure that its audit staff received sufficient training on fraud awareness, technical audit developments and information technology audits. The Office of Audit and Investigations indicated that the 2008 workplans made provision for increased training time for staff;

(j) The internal audit activity needed to ensure country office involvement at the beginning stages of its overall risk assessment process. For the 2008 audit plan, the Office of Audit and Investigations had requested input from the regional bureaux and country offices;

(k) The roles, authorities and protocols of the internal audit activity and investigation function were not at that stage clearly delineated and communicated across UNDP;

(l) Delays in the finalization of the reports had the effect of diminishing the impact of the audits and possibly slowing down the implementation of recommendations;

(m) The internal audit activity made limited use of performance metrics. The Office of Audit and Investigations indicated that in 2008, the results-based budgeting did include more indicators. The Board noted, however, that the internal audit activity did not measure various metrics which were quoted as examples in the quality assessment report;

(n) There was no policy on what the requirements were for special audits versus routine audits to provide assurance that they met applicable standards.

482. The Board further noted that, during the biennium, the Office of Audit and Investigations had had several changes of director. The lack of continuity in leadership posed the risk of a lack of overall direction for the office.

483. The Office of Audit and Investigations indicated that the cause for some of the observations made was limited resources and that its structure and staffing at the management level and in the quality assurance function had not kept pace with the expansion of activities in recent years.

484. **The Board recommends that UNDP fully address, in conjunction with the Office of Audit and Investigations, the outstanding recommendations made during the quality assessment of the Office of Audit and Investigations.**

485. UNDP indicated that it had already implemented many of the recommendations arising from the quality assessment exercise and had established an action plan to address the remaining recommendations. UNDP would continue to improve the working arrangements of the internal audit and investigation functions, in consultation with the Audit Advisory Committee and to the extent that the recommendations resulting from the quality assessment exercise were considered relevant and meaningful. For example, key performance metrics had already been introduced to the internal audit activity and more might be added in the future.

Internal audit coverage

486. During the year ended 31 December 2007, the Office of Audit and Investigations issued 58 internal audit reports, pertaining to five headquarters audits and 53 country office audits. The latter consisted of 34 full or limited scope audits, seven special audits and 12 audits of directly executed projects relating to a total of 43 country offices in five regions. The Board coordinated its own audit coverage with the Office of Audit and Investigations and was pleased with the extent of coverage achieved by the Office.

487. The 34 full or limited scope internal audits covered country offices with total programme and management expenditure of about $1.4 billion (31.5 per cent of total expenditure) in 2006. The 12 audits of directly executed projects conducted during the year covered expenditure totalling $134.2 million and $15.1 million worth of project assets. The directly executed projects were selected based on risk assessment and consultations between the Office of Audit and Investigations and the concerned country offices. The audits were conducted by private audit firms on behalf of the Office of Audit and Investigations, based on the Office's terms of reference.

488. In 2007, a total of 53 (2006: 38) country office audit reports were issued, of which 32 per cent (2006: 29 per cent) had a rating of "satisfactory", 34 per cent (2006: 39 per cent) "partially satisfactory", and 13 per cent (2006: 8 per cent) "deficient"; 21 per cent (2006: 24 per cent) of the reports had no rating because they pertained to special audits and reviews for which ratings were not assigned. The Board is concerned that the Office of Audit and Investigations awarded less than satisfactory audit ratings for the majority of country offices it reported on for 2006.

489. By the end of December 2007, the Office of Audit and Investigations had audited all the country offices rated very high risk and 76 per cent of those rated high risk. Out of a total of 141 countries, 3 were considered very high risk, 50 high risk and 88 medium risk. The audits of the remaining 24 per cent of the high risk countries were either in progress or will be covered in the 2008 annual work plan of the Office of Audit and Investigations.

490. During the last quarter of 2007, the Office of Audit and Investigations conducted a new audit risk assessment for the purposes of the 2008 workplan for country office audits. The results showed that three (2 per cent) of the 141 offices assessed were ranked very high risk, 50 (35 per cent) high risk and the remainder medium risk. Compared to the audit risk assessment results in 2006, there was no change in the risk rating of 85 per cent of the offices.

Audit Advisory Committee

491. The Audit Advisory Committee of UNDP was established by the Administrator in May 2006. The Committee replaced the previous oversight committee, the Management Review and Oversight Committee. The primary role of the Committee is to advise the Administrator, taking into consideration the Financial Regulations and Rules of UNDP and the Staff Regulations and Rules of the United Nations, as well as policies and procedures applicable to UNDP and its operating environment.

492. The terms of reference for the Committee were updated and approved by the Administrator on 8 February 2008. The Board has had several interactions with the Committee during the biennium and the Committee has issued its 2007 annual report on its activities and advice provided to the Administrator. The Board is pleased to note the progress in the work of the Audit Advisory Committee, which has been the subject of previous recommendations.

34. Internal audit findings

Significant findings

493. The internal audit coverage of a country office generally covers activities in the following areas: (a) country programme level; (b) management strategies; (c) partnerships and resource mobilization; (d) support to United Nations

coordination; (e) development services; (f) human resources administration; (g) procurement and assets management; (h) financial resources; (i) general administration; (j) information technology and communications; (k) Atlas; (l) advocacy services; and (m) knowledge management.

494. The 53 country office audit reports issued in 2007 largely covered the operations and activities of the offices in the year 2006. Consequently, the audit outcomes reflect UNDP operations in 2006. Based on the overall internal audit results, with 35 out of 53 audit reports issued in 2007 having either a "satisfactory" or "partially satisfactory" rating, the internal controls and risk management practices were found to be generally established and functioning, but needing improvement in some areas. Seven audits resulted in an "unsatisfactory" rating, which meant that internal controls and risk management practices were either not established or not functioning well. The majority of the issues identified in those seven audits were high risk. A follow-up audit for most of those country offices is scheduled for 2008. A total of 11 audit reports, such as special reviews or follow-up audits, had no overall rating.

Table II.29

Number of country office reports issued in 2006 and 2007, by audit rating

Audit rating	*2006 reports*	*Number of reports, 2006*	*2007 reports*	*Number of reports, 2007*
Satisfactory	29%	11	32%	17
Partially satisfactory	39%	15	34%	18
Unsatisfactory	8%	3	13%	7
No rating provided	24%	9	21%	11
Total		**38**		**53**

495. Compared with 2006, there was a 39 per cent increase in the number of reports issued, from 38 to 53, as shown in table II.29. The results showed that the share of "satisfactory" ratings and of "unsatisfactory" ratings increased.

496. The Office of Audit and Investigations grouped the findings of the audits performed at country offices by key and recurring audit issues and classified them under development services, financial resources, and procurement and asset management. The significant findings of the Office of Audit and Investigations are highlighted below.

Development services

497. The Office of Audit and Investigations reported that project monitoring and evaluation required improvement, as there were no regular monitoring plans, or project monitoring tools were not used, or relevant guidelines were not followed. The systems for monitoring and follow-up on non-government/nationally executed expenditure audits were reported to be weak, resulting in inadequate audit scope, delayed submission of non-government/nationally executed expenditure audit reports and poor implementation of non-government/nationally executed expenditure audit recommendations. The project design, appraisal and approval process was noted as being insufficient because the local programme advisory committee or the

beneficiaries and other key stakeholders were not included in the appraisal process. Improvement was needed in the monitoring exercised by country offices of project equipment and assets. Project equipment lists were either incomplete, not prepared periodically or not submitted by projects to the country offices.

Financial resources

498. The Office of Audit and Investigations reports noted bank reconciliation issues, such as delays in performing bank reconciliations, insufficient frequency of the reconciliation process, or incomplete or missing bank reconciliations. Some transactions or payments were identified as having incomplete supporting documentation. Accounting controls required strengthening with regard to the errors described in recording transactions and in the allocation of expenditure, or reports described as being inconsistent with the underlying records.

Procurement and asset management

499. The Office of Audit and Investigations reports noted non- or partial compliance with procurement rules, such as purchase orders not having supporting documents, contracts not being in accordance with the required format and contracting guidelines not being followed. The contracts, assets and procurement committees were noted to be ineffective in 11 audit reports, as some of the members were unclear about their roles and responsibilities. Issues were raised regarding the delegation of procurement authority, such as delegation of authority to non-UNDP staff, non-compliance with the requirements for increased delegation of authority, re-delegation of authority without approval, or contracts signed by persons without the delegated authority. The capacity for undertaking the procurement function was described to be weak. With regard to asset management, there were misstatements in the inventory list, lack of updated fixed assets registers, incomplete documentation supporting physical inventory, or non-adjustment of lost items noted in eight audit reports.

Follow-up of the outstanding recommendations of country offices

500. The Office of Audit and Investigations conducts six-monthly desk reviews of the implementation status of audit recommendations based on updates provided by the country offices. The implementation rate for each country office, as calculated by the Office of Audit and Investigations, is published as one of the indicators in the UNDP balanced scorecard.

501. As of 31 December 2007, the overall implementation rate was 93 per cent on a rolling basis, as confirmed by the Office of Audit and Investigations. Since the Office instituted the periodic follow-ups in 2005, the Board noted, 45 (42 per cent) of the 106 audit reports issued between 1 January 2004 and 30 September 2007 had a 100 per cent implementation rate as at 31 December 2007.

502. A further analysis of the implementation rates of the Office of Audit and Investigations, on a per audit report basis, showed that a 100 per cent implementation rate was achieved on average within approximately 18 months of the issuance of the audit report. As at 31 December 2007, there were 34 recommendations that had remained unresolved for 18 months or more, pertaining to 17 country offices. The majority of those recommendations (26 or 76 per cent of the total) were ranked high priority at the time of the audit. They mostly pertained to

development services, partnership and resource mobilization, and management. A further analysis by the Office of Audit and Investigations showed that the delay in implementation was caused by lack of resources (either time, staff or budget), interaction with external parties (such as other United Nations agencies and national counterparts), the substantial time required to make major changes or improvements in an office environment, and shifting priorities of country office management. Other factors which were beyond the control of the country office were also noted, such as the political and economic situation in the country.

503. The Office of Audit and Investigations also completed an audit of the procurement function in UNDP. A "partially satisfactory" rating was assigned to the procurement function. The key recommendations resulting from the audit were that procurement should, in respect of:

(a) Delegation of procurement authority

(i) Align delegation of procurement authority with procurement capacity;

(ii) Enhance and expand the procurement certification programme;

(iii) Make procurement certification a prerequisite for assigning to staff the "buyer" profile in Atlas.

(b) Advisory Committee on Procurement and Regional Advisory Committees on Procurement

(i) For procurements of high value or of a complex nature, have the solicitation documents reviewed and cleared by the Procurement Support Office or by the Advisory Committee on Procurement and the Regional Advisory Committees on Procurement;

(ii) Engage experts to assist the Advisory Committee on Procurement and Regional Advisory Committees on Procurement in the review of submissions for specialized goods and services;

(iii) Revisit the reporting lines and functions of the chairperson of the Advisory Committee on Procurement and the chairpersons of the Regional Advisory Committees on Procurement;

(iv) Revisit funding and contractual arrangements for the Regional Chief Procurement Officer positions to ensure the function holders have regular contracts with secured funding;

(v) Revisit the responsibilities of the Regional Chief Procurement Officer to ensure proper segregation of duties (chairperson of the Regional Committee on Procurement; approver of procurement actions; and procurement advisor);

(vi) Involve regional bureaux in reviewing procurement-related decisions as part of their oversight of country offices (e.g., accepting "exigency of requirements", endorsing increase of delegation, endorsing submissions to the Advisory Committee on Procurement).

(c) Vendors

(i) Establish a policy on suspending and removing vendors from the vendor roster;

(ii) Establish a policy on how to deal with vendors that have been suspended or removed from rosters of other United Nations and international organizations;

(iii) Amend policies and procedures on vendor appraisal;

(iv) Introduce mandatory reference checks for potential vendors with contracts that are expected to exceed a given value;

(v) Request newly registering vendors to provide information on the identities of their principals and former principals;

(vi) Formulate and implement a policy determining how long inactive vendors should be retained in the system in order to reduce the high number (more than 260,000) of inactive vendors.

(d) Tools

(i) Develop a software tool to assist business units in procurement planning and to enhance the quality of planning data and their analysis;

(ii) Develop a software tool that would help business units to identify vendors that are on the consolidated list of the Security Council Sanctions Committee;

(iii) Develop queries in Atlas to regularly search vendor profiles for duplicate entries and inconsistencies;

(iv) Develop a centralized web-based system for reviewing and tracking vendor protests;

(v) Develop a tracking system to identify any failure to submit cases to the Advisory Committee on Procurement (ACP) as well as to monitor compliance with conditions set by the Chief Procurement Officer when approving contract awards;

(vi) Review procurement data periodically for errors or other quality problems to ensure data in the Atlas and ACP Online systems are accurate.

(e) Other

(i) Determine how the declaration of interest and impartiality statements filed by staff members involved in procurement activities should be used and who should be given access rights to them;

(ii) Reassess the current self-financing arrangements for the Global Procurement Unit and for the Professionalization and Quality Assurance Unit to ensure that those arrangements do not constitute a hindrance to the overall effectiveness of the procurement function.

504. The Board shares the recommendations contained in the report of the Office of Audit and Investigations and underscores the need for UNDP to address the matters highlighted.

35. Write-offs and disposals

505. The Administration informed the Board that, in accordance with financial rule 126.16, losses amounting to $31,807.02 ($7.9 million in 2004-2005) had been

written off in respect of a series of long-outstanding unreconciled transactions in the bank reconciliations.

36. Ex gratia payments

506. As required by financial rule 126.16, the Administration reported ex gratia payments for the period under review amounting to $2,640 in respect of an "old age" supplementary payment with regard to financial rule 123.01.

37. Cases of fraud and presumptive fraud

507. During the biennium 2006-2007, UNDP reported 33 cases of fraud or presumptive fraud: 27 cases involving losses amounting to $2.4 million and six cases where the loss was undetermined. UNDP reported that an amount of $327,844 had been recovered by the end of the biennium and UNDP was still in the process of recovering the balance, which related to 22 cases.

508. The details of the 27 cases were as follows:

(a) Three cases relating to the submission of false claims by contractors in El Salvador, Benin and Afghanistan resulting in losses of $16,000, $6,500 and $9,824 respectively. All three cases were the result of insufficient examination of supporting documentation when claims and payments were processed. In Afghanistan and El Salvador, the service contract holders were terminated and in Benin the staff member had separated from service. All three country offices were reviewing claim and payment processing procedures.

(b) One case relating to the theft of fuel resulting in an estimated loss of $25,000 was reported in Rwanda. The loss was the result of poor controls and management of fuel supplies.

(c) Two cases of theft of funds, in the form of cash, were reported in Panama and Timor-Leste, resulting in losses of $12,345 and $14,595 respectively. Partial recovery in the amount of $9,345 was made in Panama. In Timor-Leste the project manager's contract was terminated and in Panama the remedial action was under review.

(d) Two cases of overpayment to staff based on inaccurate information provided by staff were reported in Kuwait and Haiti. The total losses resulting from the overpayment were $31,833 and $22,478 respectively. In Kuwait, the losses were being recovered and three staff members had been disciplined. In Haiti, the staff member concerned had already separated from UNDP.

(e) In Brazil, a contractor avoided passing over customs refunds owed to the country office by submitting fraudulently altered documents. The total loss was $381,273 and the Legal Support Office has initiated recovery action.

(f) Three cases of theft of assets were reported. Misappropriation of project equipment by office staff in Mozambique resulted in a loss of $15,000. In the United Republic of Tanzania, air conditioners with a value of $38,700 were misappropriated and in Liberia two motor bikes and fuel of undetermined value were misappropriated.

(g) Two cases of issuance of fraudulent cheques were reported in Ghana and Senegal, resulting in losses of $225,000 and $8,000 respectively. The losses in

Ghana were fully recovered from the bank; no UNDP staff members were involved, but bank reconciliation practices were regarded as poor. In Senegal, the staff member involved was dismissed and the losses were being recovered.

(h) In Honduras, payments of $59,972.60 were made to an acquaintance of a senior staff member for work of limited output. The staff member was summarily dismissed.

(i) In Pakistan, a loss of $418,892 was incurred when a vendor engaged to assist with a country office procurement exercise received a commission from a vendor he had recommended to the country office. Both vendors are no longer being used by the country office.

(j) In Azerbaijan, a staff member submitted false claims to the value of $16,832 for expenditure of less than $2,500; no amounts were recovered but the staff member was summarily dismissed.

(k) In the Democratic Republic of the Congo a corrupt agreement between two vendors, with the possible collusion of UNDP staff, resulted in an estimated loss of $1.2 million, according to a national law enforcement authority. This was as a result of poor oversight of the procurement and execution of large contracts. An internal investigation and several police investigations are currently ongoing.

(l) Losses of $1,000 were incurred in the Democratic Republic of the Congo as a result of office staff failing to acquit all funds received from the sale of project equipment.

(m) In Sierra Leone, a loss of $5,000 was incurred owing to the submission of false invoices for equipment. The loss was due to collusion with a staff member, who was summarily dismissed.

(n) In Jamaica, a $5,100 loss was incurred as a result of false claims for security being submitted by a senior staff member. The staff member concerned was sanctioned and demoted.

(o) A $165,000 loss was incurred in Tajikistan owing to procurement irregularities concerning the Grants Implementation Unit. The programme manager involved has been charged and is currently suspended pending the outcome of the disciplinary process.

(p) In Brazil, an $84,500 loss was incurred as a result of a staff member retaining commissions received from a customs clearance agent. The staff member has separated from service and recovery of the loss was being pursued.

(q) Misrepresentation by staff of hospitality claims resulted in a loss of $8,849 in the Brazil country office. The matter was referred to the Legal Support Office and the amounts were reimbursed.

(r) Submission of fraudulent fuel vouchers resulted in a loss of $934 in Mozambique. The staff member in question was summarily dismissed.

(s) Falsification of an expense receipt resulted in a loss of $150 in Afghanistan. The full amount was subsequently recovered.

(t) Undetermined losses due to procurement irregularities were incurred in four cases in Liberia, Uzbekistan, the Russian Federation and the Democratic

Republic of the Congo. These cases related to the submission of fictitious bids and lack of sufficient oversight of procurement.

(u) At headquarters, a loss of $24,534 was incurred as a result of the submission of fraudulent claims for reimbursement. One of the two staff members implicated was summarily dismissed and the other had separated from service. Partial recovery of the loss was made.

C. Acknowledgement

509. The Board of Auditors wishes to express its appreciation for the cooperation and assistance extended to its staff by the Administrator of the United Nations Development Programme and his staff.

(*Signed*) Philippe **Séguin**
First President of the Court of Accounts of France
Chairman, United Nations Board of Auditors

(*Signed*) Terence **Nombembe**
Auditor-General of the Republic of South Africa
(Lead auditor)

(*Signed*) Reynaldo A. **Villar**
Chairman, Philippine Commission on Audit

30 June 2008

Annex

Status of implementation of the Board's recommendations for the biennium ended 31 December 2005[a]

	Subject of recommendation	*Paragraph reference*	*Financial period first made*	*Fully implemented*	*Partially implemented*	*Not implemented*	*Overtaken by events*
1	Bank accounts and cash	Para. 26	2002-2003		X		
2	Reconciliation process for country office bank accounts	Para. 28		X			
3	Reconciliation process for general and subsidiary ledgers	Para. 31		X			
4	Staff resources	Para. 36		X			
5	Inter-fund balances of UNFPA, UNFIP and UNODC	Para. 39		X			
6	Inter-fund balances of UNOPS	Para. 42			X		
7	Inter-fund balances on Atlas and reconciliations	Para. 43			X		
8	United Nations current account reconciliations	Para. 46			X		
9	Write-offs relating to the operating fund account	Para. 52			X		
10	Contributions received in kind	Para. 55		X			
11	Government contributions to local office costs	Para. 60			X		
12	Unidentified receipts	Para. 65			X		
13	UNCDF financial position	Para. 71		X			
14	Trust funds in deficit	Para. 74			X		
15	End-of-service and post-retirement benefits	Para. 85			X		
16	Enterprise resource planning system	Para. 95	2002-2003	X			
17	Atlas training	Para. 101		X			
18	Unused Atlas modules	Para. 104		X			
19	Software modification costs	Para. 107		X			
20	Atlas commitment control	Para. 110		X			
21	Reconciliations between the Global Payroll and Atlas	Para. 112		X			
22	Second report on review of controls and identification of risks in the post-implementation phase	Para. 117		X			
23	Third report on information security-risk assessment	Para. 120		X			
24	Implementation of Atlas at the Brazil country office	Para. 125		X			

	Subject of recommendation	*Paragraph reference*	*Financial period first made*	*Fully implemented*	*Partially implemented*	*Not implemented*	*Overtaken by events*
25	Discrepancies between cashbook balances and the trial balance at the Brazil country office	Para. 129		X			
26	Reconciliation of Atlas account discrepancies	Para. 134		X			
27	SAP project activity levels	Para. 137		X			
28	Revenue-generated services	Para. 144		X			
29	Programme expenditure incurred by United Nations executing agencies	Para. 150	1998-1999	X			
30	Programme expenditure incurred by Governments (advances: operating funds provided to Governments)	Para. 154	1996-1997	X			
31	Risk-based assessment module for nationally executed project audits	Para. 158	2000-2001	X			
32	Audit coverage of nationally executed expenditure	Para. 161	2000-2001	X			
33	Reporting deadlines	Para. 165			X		
34	Quantification of qualified audit reports	Para. 171			X		
35	Country offices issued with only qualified nationally executed expenditure project audit reports in respect of all projects	Para. 173		X			
36	Country office follow-up action plans	Para. 176	2000-2001	X			
37	Programme and project management (monitoring and evaluation)	Para. 179		X			
38	Project-risk management, identification of projects behind schedule and project lessons learned	Para. 182		X			
39	Project-risk management, identification of projects behind schedule and project lessons learned	Para. 185		X			
40	Stakeholder inputs	Para. 187		X			
41	Financial expenditure versus technical implementation	Para. 190	2002-2003		X		
42	Programme cost recovery at country offices	Para. 197		X			
43	Brazil state offices	Para. 202					X
44	United Nations Development Assistance Framework	Para 210		X			
45	Russian Federation	Paras. 215 and 217		X, X			
46	Yemen	Paras. 222 and 225		X, X			
47	Training of resident coordinators	Para. 236		X			
48	Resident coordinator assessment system	Para. 238		X			
49	Lessons learned	Para. 240		X			

	Subject of recommendation	*Paragraph reference*	*Financial period first made*	*Fully implemented*	*Partially implemented*	*Not implemented*	*Overtaken by events*
50	Funding	Paras. 243 and 248		X, X			
51	Joint offices	Para. 258		X			
52	Inter-Agency Procurement Service Office (IAPSO) to evaluate support to resident coordinators	Para. 266					X
53	IAPSO to consider opportunities to extend inter-agency cooperation	Para. 268					X
54	IAPSO to discuss its business lines with other United Nations agencies	Para. 276					X
55	IAPSO to share information on its practices on costing methodologies with other United Nations entities	Para. 279					X
56	Common premises and services — supporting United Nations Houses	Para. 284			X		
57	Common premises and services — UNDGO to maintain an up-to-date database	Para. 286			X		
58	Timely signature of memorandums of understanding	Para. 290			X		
59	Memorandums of understanding — guideline defining various levels of responsibility	Para. 292		X			
60	Memorandums of understanding — provision for updating and revising agreements for common services	Para. 294		X			
61	Common services programme	Para. 300					X
62	Common Services Management System	Para. 303			X		
63	Common services experts	Para. 308		X			
64	Common database of vendors	Para. 310		X			
65	Emergency preparedness	Para. 322		X			
66	Fraud prevention strategy	Para. 325		X			
67	Increase in procurement authority	Para. 330		X			
68	Procurement lead times	Para. 333			X		
69	Database of experts for deployment in complex emergencies	Para. 337		X			
70	Training of staff deployed at short notice	Para. 340		X			
71	Database of lessons learned from the response to the tsunami	Para. 344		X			
72	Common premises and services in regions where disaster relief and recovery efforts are ongoing	Para. 348		X			
73	Expenditure tracking system — OCHA Indonesia office	Paras. 354 and 357		X, X			
74	Geographical distribution of procurement	Para. 361		X			
75	Split purchase orders	Para. 365			X		

	Subject of recommendation	*Paragraph reference*	*Financial period first made*	*Fully implemented*	*Partially implemented*	*Not implemented*	*Overtaken by events*
76	Supplier code of conduct	Para. 368		X			
77	Supplier evaluation	Para. 371			X		
78	Procurement planning	Para. 374			X		
79	Lack of monitoring and control tools in respect of submissions to the Advisory Committee on Procurement	Para. 377		X			
80	Submissions to the Advisory Committee on Procurement	Para. 383			X		
81	Inactive vendors in the Atlas system	Para. 385			X		
82	Segregation of duties — creating and approving vendors in Atlas	Para. 387		X			
83	Segregation of duties — creating and approving purchase orders in Atlas	Para. 390		X			
84	Lead times for contract letting	Para. 395	2000-2001		X		
85	"Green" procurement	Para. 398	2002-2003	X			
86	E-procurement	Para. 402		X			
87	Legal services	Para. 406		X			
88	Risk management strategy	Para. 415		X			
89	Vacancies in the Office of Audit and Performance Review	Para. 419		X			
90	Internal audit resources	Para. 423		X			
91	Internal audit coverage	Para. 425		X			
92	Level of coverage of financial procedures and controls at headquarters	Para. 429	2002-2003	X			
93	Reporting time frames	Para. 433	2002-2003	X			
94	Gender distribution milestones	Para. 437			X		
95	Gender balance of staff	Para. 439			X		
96	Geographical distribution of staff	Para. 442			X		
97	Targets for filling of posts	Para. 445		X			
98	Leave administration	Para. 449			X		
99	Performance of investments	Para. 458		X			
100	Liquidity risk management	Para. 463		X			
101	Cash management	Para. 471		X			
102	Finance certification and training programme	Para. 474			X		
103	Classification of investments	Para. 476		X			
104	Office of Information Systems and Technology review	Para. 478		X			
105	Internal audit coverage of the treasury	Para. 480		X			
106	Asset management: internal control framework	Para. 484			X		
107	Atlas audit trail: asset management module	Para. 487	2002-2003	X			

Subject of recommendation	*Paragraph reference*	*Financial period first made*	*Fully implemented*	*Partially implemented*	*Not implemented*	*Overtaken by events*
108 Non-expendable equipment	Para. 490			X		
109 Russian Federation country office: segregation of duties	Para. 500		X			
110 Russian Federation country office: stricter controls to prevent loss of project documents	Para. 503		X			
111 Russian Federation country office: corrective action to prevent breakdown in controls	Para. 505		X			
Total	**115**		**79**	**30**	**—**	**6**
Percentage	**100**		**69**	**26**	**—**	**5**

[a] See A/61/5/Add.1, chap. II.

Chapter III
Audit opinion

We have audited the accompanying financial statements of UNDP comprising statements numbered I to IV, schedules 1 to 8 and the supporting notes and annexes, for the biennium ended 31 December 2007. These financial statements are the responsibility of the Administrator. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by the Administrator as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for the audit opinion.

In our opinion, the financial statements present fairly, in all material respects, the financial position of UNDP as at 31 December 2007 and the results of its operations and its cash flows for the period then ended, in accordance with the United Nations system accounting standards.

Furthermore, in our opinion, the transactions of UNDP that have come to our notice, or which we have tested as part of our audit, have in all significant respects been in accordance with the Financial Regulations and Rules of UNDP and legislative authority.

In accordance with article VII of the Financial Regulations and Rules of the United Nations, we have also issued a long-form report on our audit of UNDP.

(*Signed*) Philippe **Séguin**
First President of the Court of Accounts of France
Chairman of the United Nations Board of Auditors

(*Signed*) Terence **Nombembe**
Auditor-General of the Republic of South Africa
(Lead auditor)

(*Signed*) Reynaldo A. **Villar**
Chairman, Philippine Commission on Audit

30 June 2008

Chapter IV

Financial statements for the biennium ended 31 December 2007

Abbreviations used in the financial statements

ACP	African, Caribbean and Pacific
AFESD	Arab Fund for Economic and Social Development
AJK	Azzad Jammu and Kashmir
AMUDA	Association of Medical Doctors of Asia
APO	Asian Productivity Organization
AU	African Union
BCPR	Bureau for Crisis Prevention and Recovery
BDP	Bureau for Development Policy
BOM	Bureau of Management
BRSP	Bureau for Resources and Strategic Partnerships
CARDS	Community Assistance for Reconstruction, Development and Stabilization
CAVR	Commission for Reception, Truth and Reconciliation
CIDA	Canadian International Development Agency
CIS	Commonwealth of Independent States
CNDH	Commission nationale inter-sectorielle pour le déminage et l'assistance humanitaire
DANIDA	Danish International Development Agency
DDR	disarmament, demobilization and rehabilitation
DESA	Department of Economic and Social Affairs
DEVNET	Development Network
DFID	Department for International Development
DP	displaced person
DRPC	Division for Resources Planning and Coordination
EAR	European Agency for Reconstruction
EC	European Commission
ECHO	European Community Humanitarian Office
EEC	European Economic Commission
ERW	explosive remnants of war
ESCAP	Economic and Social Commission for Asia and the Pacific

FAO	Food and Agriculture Organization of the United Nations
FBS	Fonds belge de survie
FGM	female genital mutilation
FMLN	Farabundo Marti National Liberation Front
GAP	south-eastern Anatolia project
GCCC	Government cash counterpart contributions
GEF	Global Environment Facility
GLOG	Guyana Long-term Observation Group
HDRO	Human Development Report Office
IADB	Inter-American Development Bank
IAEA	International Atomic Energy Agency
IAPSO	Inter-Agency Procurement Services Office
IBSA	India, Brazil, South Africa
IBRD	International Bank for Reconstruction and Development
ICAO	International Civil Aviation Organization
ICT	information and communications technology
IDA	International Development Association
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
ILO	International Labour Organization
IMF	International Monetary Fund
IMIS	Integrated Management Information System
IMO	International Maritime Organization
IOM	International Organization for Migration
ISDR	International Strategy for Disaster Reduction
ITC	International Trade Centre
ITU	International Telecommunication Union
JAIDO	Japan International Development Organization
JPO	Junior Professional Officer
KOICA	Korea International Cooperation Agency

LDCs	least developed countries
MDG	Millennium Development Goals
MoFA	Ministry of Foreign Affairs
NCA	Norwegian Church Aid
NEX	Government, as executing agent
NGO	non-governmental organization
NOVIB	Organization for International Development Cooperation
NWPK	North-West Frontier Province
OHADA	Organization for the Harmonization of Business Law in Africa
PAPP	Programme of Assistance to the Palestinian People
PFF	Partnership for the Future
PMEs	pequenas e medias empresas (small and medium-sized enterprises)
RDC	République démocratique du Congo
RFA	reserve for field accommodation
ROAR	results-oriented annual report
RRU	Relief and Recovery Unit
SACB	Somalia Aid Coordination Body
SALW	small arms and light weapons
SEE	South-eastern Europe
SIDA	Swedish International Development Cooperation
SIDS	small island developing States
SME	small and medium-sized enterprises
SNV	Netherlands Development Organization
SRF	strategic results framework
STI	sexually transmitted infection
SU/TCDC	Special Unit for Technical Cooperation among Developing Countries
SUNV	SNV/UNV
TCDC	technical cooperation among developing countries
UNCDF	United Nations Capital Development Fund

UNCHS	United Nations Human Settlements Programme (UN-Habitat)
UNCTAD	United Nations Conference on Trade and Development
UNDESA	Department of Economic and Social Affairs
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFIP	United Nations Fund for International Partnerships
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNIFEM	United Nations Development Fund for Women
UNISTAR	United Nations International Short-term Advisory Resources
UNOPS	United Nations Office for Project Services
UNRC	United Nations Resident Coordinator
UNSECOORD	Office of the United Nations Security Coordinator
UNSO	Office to Combat Desertification and Drought
UNV	United Nations Volunteers
WFP	World Food Programme
WHO	World Health Organization
WMO	World Meteorological Organization
WTO	World Tourism Organization

United Nations Development Programme
Biennium 2006-2007

Overview
Income, expenditure and fund balances for the biennium ended 31 December 2007

(Thousands of United States dollars)

	Regular resources activities		*Other resources activities*		*Funds administered by UNDP*	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Income						
Contributions	2 042 756	1 765 566	7 711 090	6 979 410	226 355	145 962
Less transfer to biennial support budget	(18 272)	(17 669)				
Contributions — net	**2 024 484**	**1 747 897**	**7 711 090**	**6 979 410**	**226 355**	**145 962**
Interest income	21 660	27 202	311 447	115 809	10 528	4 451
Other income	32 643	44 092	392 924	284 621	16 767	10 880
Total income	**2 078 787**	**1 819 191**	**8 415 461**	**7 379 840**	**253 650**	**161 293**
Expenditure						
Programme	1 069 281	959 240	6 762 370	5 566 358	169 141	115 700
Programme support costs	—	—	20 546	15 220		
Programme support to Resident Coordinator	25 681	27 841	35 079	17 214		
Development support services	12 401	9 411	10 781	7 564		
UNDP Economist Programme	10 880	21 537				
Biennial support budget — net	634 072	566 744	659 537	502 299	22 231	29 886
Other expenditure	115 898	99 552	3 391	(42)	9	173
Total expenditure	**1 868 213**	**1 684 325**	**7 491 704**	**6 108 613**	**191 381**	**145 759**
Excess (shortfall) of income over expenditure	**210 574**	**134 866**	**923 757**	**1 271 227**	**62 269**	**15 534**
Savings on prior biennium's obligations	(76)	821	(148)	1 890	—	—
Transfer (to) or from reserves	(23 000)	(27 000)	(19 000)	(9 000)	(6 400)	400
Refunds to donors and transfers (to) or from other funds	(47 999)	(24 989)	(12 515)	(42 212)	(376)	(594)
Fund balances, 1 January	237 510	153 812	3 114 345	1 892 440	83 535	68 195
Fund balances, 31 December	**377 009**	**237 510**	**4 006 439**	**3 114 345**	**139 028**	**83 535**
	Statement I.1		Statement I.2		Schedule 7	

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Overview
Assets, liabilities and reserves and fund balances as at 31 December

(Thousands of United States dollars)

	Regular resources activities		*Other resources activities*		*Funds administered by UNDP*	
	2007	*2005*	*2007*	*2005*	*2007*	*2005*
Assets						
Cash	(5 152)	111 077	25 296	21 617	4 959	880
Cash and investments — Funds held in trust	1 124 698	—	—	—	—	—
Government letters of credit and promissory notes	—	—	55 377	248 244	—	—
Investment held for						
Operational reserve	192 000	169 000				
Regular resources	668 494	217 023	490 923	392 635	189 266	118 997
Reserve for after-service health insurance	267 937	170 853				
Cost-sharing	2 000 461	1 415 662				
Government cash counterpart contributions	15 630	13 532				
Funds administered by UNDP and trust funds established by UNDP	1 031 703	766 624				
Reimbursable services and miscellaneous activities	683 135	449 057				
Medical Insurance Plan	36 099	38 765				
Subtotal — investments	**4 895 459**	**3 240 516**	**490 923**	**392 635**	**189 266**	**118 997**
Total cash, letters of credit, promissory notes and investments	**6 015 002**	**3 351 593**	**571 596**	**662 496**	**194 225**	**119 877**
Advances						
Operating funds provided to Governments	14 958	16 547	90 864	76 427	51	51
Operating funds provided to executing agents	14 669	27 893	58 645	55 689	768	384
Accounts receivable and deferred charges						
Due from core activities	—	—	3 810 971	2 747 770	3 191	6 838
Due from reserves for field accommodation	2 527	4 272				
Due from United Nations Volunteers Programme	43	—				
Due from trust funds established by UNDP	67 962	82 602				

	Regular resources activities		Other resources activities		Funds administered by UNDP	
	2007	*2005*	*2007*	*2005*	*2007*	*2005*
Due from funds administered by UNDP	15 317	11 305				
Due from United Nations Office for Project Services	—	6 580				
Due from United Nations Population Fund	57 936	—				
Due from United Nations — current account	12 516	11 638				
Other accounts receivable and deferred charges	30 252	42 625	38 181	73 150	3 276	5 038
Accrued interest	46 288	23 955	46 867	25 485	2 298	1 347
Special capitalized asset	1 570	1 570	—	—	—	—
Reserve for field accommodation activities						
Long-term accounts receivable	—	—	350	436	—	—
Loans to Governments	—	—	806	806	—	—
Construction costs	—	—	42 918	42 916		
Capitalized rehabilitation	—	—	691	983		
Household Appliance Rental Scheme	—	—	—	—		
Allowance for write-down	—	—	(9 627)	(9 632)		
Total assets	**6 279 040**	**3 580 580**	**4 652 262**	**3 676 526**	**203 809**	**133 535**
	Statement II.1		Statement II.2		Schedule 7	

United Nations Development Programme
Biennium 2006-2007

Overview
Movement in resources balances for the biennium ended 31 December 2007

(Thousands of United States dollars)

	Regular resources activities	*Other resources activities*	*Funds administered by UNDP*
Fund balances as at 1 January 2006	237 510	3 114 345	83 535
Net excess (shortfall) of income over expenditure	210 574	923 757	62 269
Movement — Savings on prior biennium's obligations	(76)	(148)	—
Movement — Transfer (to) from reserves	(23 000)	(19 000)	(6 400)
Movement — Refunds to donors and transfers (to) from other funds	(47 999)	(12 515)	(376)
Balance as at 31 December 2007	**377 009**	**4 006 439**	**139 028**

Overview

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Overview
Statement of cash flows for the biennium ended 31 December 2007
(Thousands of United States dollars)

	Regular resource activities		*Other resources activities*		*Funds administered by UNDP*	
	2007	*2005*	*2007*	*2005*	*2007*	*2005*
Cash flows from operating activities						
Excess (shortfall) of income over expenditure	210 574	134 866	923 757	1 271 227	62 269	15 534
Increase (decrease) in accounts payable	(55 902)	89 206	31 631	26 654	4 708	2 870
(Increase) decrease in other accounts receivable and deferred charges	12 373	6 050	34 969	10 977	1 762	(1 691)
(Increase) decrease in operating funds provided to Governments — net	1 149	(7 804)	(17 345)	(608)	—	78
(Increase) decrease in operating funds provided to executing agency	10 182	42 624	2 439	3 322	(1 204)	(558)
Increase (decrease) in reserves for special initiatives	(448)	(2 225)	3 149	9 227		
Increase (decrease) in reserve for after-service health insurance	105 936	54 000	—	—		
Increase (decrease) in deferred income	24 747	—	—	20	—	—
Increase (decrease) in operational reserve	23 000	27 000	19 000	9 000	6 400	(400)
Increase (decrease) in unliquidated obligations	9 985	7 211	43 857	107 340	481	(3 318)
Increase (decrease) in deferred liability — funds held in trust	1 280 044					
Less Interest income	21 660	27 202	311 447	115 809	10 528	4 451
Net cash from operating activities	**1 599 980**	**323 726**	**730 010**	**1 321 350**	**63 888**	**8 064**
Cash flows from investing and financing activities						
Add inflows (less outflows)						
Increase (decrease) in due to/from other programmes — net	1 071 930	1 070 393	(1 079 586)	(1 105 222)	7 659	34 829
(Increase) decrease in due from United Nations	(878)	(10 797)				
(Increase) decrease in due from UNFPA	(87 603)	37 264				
(Increase) decrease in due from UNOPS	51 728	(59 332)				
(Increase) decrease in accrued interest	(22 3333)	(11 032)	(21 382)	(14 124)	(951)	(631)
(Increase) decrease in RFA activities			558	3 304	—	—
(Increase) decrease in loans to Governments						105

	Regular resource activities		*Other resources activities*		*Funds administered by UNDP*	
	2007	*2005*	*2007*	*2005*	*2007*	*2005*
Add Interest income	21 660	27 202	311 447	115 809	10 528	4 451
Net cash from investing and financing activities	**1 134 504**	**1 053 698**	**(788 963)**	**(1 000 233)**	**17 236**	**38 754**
Cash flows from other sources						
Savings on prior biennium's obligations	(76)	821	(148)	1 890	—	—
Refunds to donors and transfers to/from other funds — net	(47 999)	(24 989)	(12 515)	(51 212)	(6 776)	—
Movement in operational reserve	(23 000)	(27 000)	(19 000)	—	—	400
Movement in reserve for medical evacuation	—	—	(284)	(492)	—	(594)
Net cash from other sources	**(71 075)**	**(51 168)**	**(31 947)**	**(49 814)**	**(6 776)**	**(194)**
Net increase (decrease) in cash, letters of credit and investments	**2 663 409**	**1 326 256**	**(90 990)**	**271 303**	**74 348**	**46 624**
Cash, letters of credit and investments as at 1 January 2007	**3 351 593**	**2 025 337**	**662 496**	**391 193**	**119 877**	**73 253**
Cash, letters of credit and investments as at 31 December 2007	**6 015 002**	**3 351 593**	**571 596**	**662 496**	**194 225**	**119 877**

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Statement I. Income, expenditure and fund balances for the biennium ended 31 December 2007

I.1. Regular resources activities

(Thousands of United States dollars)

	Core activities		Special Measures Fund for Least Developed Countries (LDCs)		Total regular resources activities	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Income						
Contributions	2 042 756	1 765 566	—	—	2 042 756	1 765 566
Less transfer to biennial support budget — note 5	(18 272)	(17 669)	—	—	(18 272)	(17 669)
Contributions — net	**2 024 484**	**1 747 897**	—	—	**2 024 484**	**1 747 897**
Interest income — note 6	21 660	27 202	—	—	21 660	27 202
Other income — schedule 1	32 643	44 092	—	—	32 643	44 092
Total income	**2 078 787**	**1 819 191**	—	—	**2 078 787**	**1 819 191**
Expenditure						
Programme	1 063 776	957 160	5 505	2 080	1 069 281	959 240
Programme support costs						
Programme support to Resident Coordinator — note 21 (a)	25 681	27 841	—	—	25 681	27 841
Development support services	12 401	9 411	—	—	12 401	9 411
UNDP sectoral support services	—	—	—	—	—	—
UNDP Economist Programme	10 880	21 537	—	—	10 880	21 537
Biennial support budget — net — schedule 3	634 072	566 744	—	—	634 072	566 744
Other expenditure — schedule 1	115 898	99 552	—	—	115 898	99 552
Total expenditure	**1 862 708**	**1 682 245**	**5 505**	**2 080**	**1 868 213**	**1 684 325**
Excess (shortfall) of income over expenditure	**216 079**	**136 946**	**(5 505)**	**(2 080)**	**210 574**	**134 866**

	Core activities		*Special Measures Fund for Least Developed Countries (LDCs)*		*Total regular resources activities*	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Savings on prior biennium's obligations	(76)	821	—	—	(76)	821
Transfer (to) or from reserves	(23 000)	(27 000)	—	—	(23 000)	(27 000)
Refunds to donors and transfers (to) or from other funds	(47 993)	(24 989)	(6)	—	(47 999)	(24 989)
Fund balances, 1 January	231 156	145 378	6 354	8 434	237 510	153 812
Fund balances, 31 December	**376 166**	**231 156**	**843**	**6 354**	**377 009**	**237 510**

Overview

United Nations Development Programme
Biennium 2006-2007

Statement I. Income, expenditure and fund balances for the biennium ended 31 December 2007

I.2. Other resources activities

(Thousands of United States dollars)

	UNDP cost-sharing		*Government Cash Counterpart Contributions (GCCC)*		*Trust Funds established by UNDP*		*Reimbursable support services and miscellaneous activities*		*Elimination*		*Total other resources activities*	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Income												
Contributions	4 756 279	4 183 794	—	139	2 325 447	2 360 297	629 364	435 180			7 711 090	6 979 410
Interest income	173 710	63 450	1 414	698	80 453	36 289	55 870	15 372			311 447	115 809
Other income	2 836	228	—	—	1 587	2 355	636 876	466 401	(248 375)	(184 363)	392 924	284 621
Total income	**4 932 825**	**4 247 472**	**1 414**	**837**	**2 407 487**	**2 398 941**	**1 322 110**	**916 953**	**(248 375)**	**(184 363)**	**8 415 461**	**7 379 840**
Expenditure												
Programme	4 355 053	3 517 224	42	—	2 003 616	1 755 477	403 659	293 657	—	—	6 762 370	5 566 358
Programme support costs	—	—	—	—	—	—	20 546	15 220	—	—	20 546	15 220
Programme support to Resident Coordinator — note 21 (a)	—	—	—	—	—	—	35 079	17 214	—	—	35 079	17 214
Development Advisory Services	—	—	—	—	—	—	10 781	7 564	—	—	10 781	7 564
Biennial support budget — net	171 221	123 738	—	—	110 241	94 079	626 450	468 845	(248 375)	(184 363)	659 537	502 299
Other expenditure	108	7	—	—	3 396	(200)	(113)	151	—	—	3 391	(42)
Total expenditure	**4 526 382**	**3 640 969**	**42**	**—**	**2 117 253**	**1 849 356**	**1 096 402**	**802 651**	**(248 375)**	**(184 363)**	**7 491 704**	**6 108 613**
Excess (shortfall) of income over expenditure	**406 443**	**606 503**	**1 372**	**837**	**290 234**	**549 585**	**225 708**	**114 302**	—	—	**923 757**	**1 271 227**
Savings on prior biennium's obligations	—	—	—	—	(120)	(97)	(28)	1 987	—	—	(148)	1 890
Transfer (to) from reserves	—	—	—	—	—	—	(19 000)	(9 000)	—	—	(19 000)	(9 000)

	UNDP cost-sharing		*Government Cash Counterpart Contributions (GCCC)*		*Trust Funds established by UNDP*		*Reimbursable support services and miscellaneous activities*		*Elimination*		*Total other resources activities*	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Refunds to donors and transfer	8 176	14 670	725	(6 619)	(22 589)	(42 173)	1 173	(8 090)	—	—	(12 515)	(42 212)
Fund balances, 1 January	1 589 382	968 209	13 540	19 322	1 110 164	602 849	401 259	302 060	—	—	3 114 345	1 892 440
Fund balances, 31 December	**2 004 001**	**1 589 382**	**15 637**	**13 540**	**1 377 689**	**1 110 164**	**609 112**	**401 259**	—	—	**4 006 439**	**3 114 345**
				Schedule 5		Schedule 6					Overview	

United Nations Development Programme
Biennium 2006-2007

Statement II. Assets, liabilities, reserves and fund balances as at 31 December 2007

II.1. Regular resources activities

(Thousands of United States dollars)

	Core activities		*Special Measures Fund for Least Developed Countries (LDCs)*		*Elimination (note 2j)*		*Total regular resources activities*	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Assets								
Cash — note 8	(5 155)	111 077	—	—	—	—	(5 155)	111 077
Cash and investments — funds held in trust — note 9 (b)	(1 124 698)	—	—	—	—	—	(1 124 698)	—
Government letters of credit	—	—	—	—	—	—	—	—
Investments held for								
Operational reserves — note 2 (h)	192 000	169 000	—	—	—	—	192 000	169 000
Regular resources	668 494	217 023	—	—	—	—	668 494	217 023
Reserve for after-service health insurance	267 937	170 853	—	—	—	—	267 937	170 853
Cost-sharing	2 000 461	1 415 662	—	—	—	—	2 000 461	1 415 662
Government Cash Counterpart Contributions	15 630	13 532	—	—	—	—	15 630	13 532
Funds administered by UNDP and trust funds established by UNDP	1 031 703	766 624	—	—	—	—	1 031 703	766 624
Reimbursable Services and Miscellaneous Activities	683 135	449 057	—	—	—	—	683 135	449 057
Medical Insurance Plan	36 099	38 765	—	—	—	—	36 099	38 765
Subtotal — Investments	**4 895 459**	**3 240 516**	—	—	—	—	**4 895 459**	**3 240 516**
Total cash, letters of credit, promissory notes and investments	**6 015 002**	**3 351 593**	—	—	—	—	**6 015 002**	**3 351 593**
Advances								
Operating funds provided to Governments	14 958	16 532	—	15	—	—	14 958	16 547
Operating funds provided to executing agents	14 669	27 893	—	—	—	—	14 669	27 893

	Core activities		*Special Measures Fund for Least Developed Countries (LDCs)*		*Elimination (note 2j)*		*Total regular resources activities*	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Accounts receivable and deferred charges								
Due from core activities	—	—	1 055	6 470	(1 055)	(6 470)	—	—
Due from reserves for field accommodation	2 527	4 272	—	—	—	—	2 527	4 272
Due from United Nations Volunteers Programme	43	—	—	—	—	—	43	—
Due from trust funds established by UNDP	67 962	82 602	—	—	—	—	67 962	82 602
Due from funds administered by UNDP	15 317	11 305	—	—	—	—	15 317	11 305
Due from United Nations Office for Project Services	—	6 580	—	—	—	—	—	6 580
Due from United Nations Population Fund	57 936	—	—	—	—	—	57 936	—
Due from United Nations — current account	12 516	11 638	—	—	—	—	12 516	11 638
Other accounts receivable and deferred charges	30 252	42 625	—	—	—	—	30 252	42 625
Accrued interest	46 288	23 955	—	—	—	—	46 288	23 955
Special capitalized asset — note 14 (a)	1 570	1 570	—	—	—	—	1 570	1 570
Total assets	**6 279 040**	**3 580 565**	**1 055**	**6 485**	**(1 055)**	**(6 470)**	**6 279 040**	**3 580 580**

United Nations Development Programme
Biennium 2006-2007

Statement II. Assets, liabilities, reserves and fund balances as at 31 December 2007

II.1. Regular resources activities

(Thousands of United States dollars)

	Core activities		*Special Measures Fund for Least Developed Countries (LDCs)*		*Elimination (note 2j)*		*Total regular resources activities*	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Liabilities								
Operating funds payable to Governments	—	439	—	1	—	—	—	440
Operating funds payable to executing agents	1 748	4 790	—	—	—	—	1 748	4 790
Unliquidated obligations — note 18	51 111	41 132	122	116	—	—	51 233	41 248
Accounts payable — note 12 (b)	123 005	178 983	90	14	—	—	123 095	178 997
Due to other resources and funds administered by UNDP								
Cost-sharing	2 000 461	1 415 662	—	—	—	—	2 000 461	1 415 662
Government Cash Counterpart Contributions	15 630	13 532	—	—	—	—	15 630	13 532
Trust funds established by UNDP	1 111 788	853 693	—	—	—	—	1 111 788	853 693
Funds administered by UNDP	3 194	6 838	—	—	—	—	3 194	6 838
United Nations Volunteers Programme	—	895	—	—	—	—	—	895
Junior Professional Officers Programme	23 147	14 931	—	—	—	—	23 147	14 931
Reimbursable services and miscellaneous activities	659 988	449 057	—	—	—	—	659 988	449 057
Subtotal — due to other resources and funds administered by UNDP	**3 814 208**	**2 754 608**	—	—	—	—	**3 814 208**	**2 754 608**
Due to Special Measures Fund	1 055	6 470	—	—	(1 055)	(6 470)	—	—
Due to United Nations current account	—	—	—	—	—	—	—	—
Due to United Nations Office for Project Services	145 148	—	—	—	—	—	145 148	—
Due to United Nations Population Fund	—	29 667	—	—	—	—	—	29 667

	Core activities		Special Measures Fund for Least Developed Countries (LDCs)		Elimination (note 2j)		Total regular resources activities	
	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005
Deferred liability — funds held in trust — note 12 (c)	1 280 044	—	—	—	—	—	1 280 044	—
Deferred income	24 747	—	—	—	—	—	24 747	—
Reserves for special initiatives — note 15	302	750	—	—	—	—	302	750
Reserve for after-service health insurance	267 936	162 000	—	—	—	—	267 936	162 000
Total liabilities	**5 709 304**	**3 178 839**	**212**	**131**	**(1 055)**	**(6 470)**	**5 708 461**	**3 172 500**
Reserves and fund balances								
Operational reserve — note 2 (h)	192 000	169 000	—	—	—	—	192 000	169 000
Special capital resources	1 570	1 570	—	—	—	—	1 570	1 570
Unexpended resources — note 16 (a)	376 166	231 156	843	6 354	—	—	377 009	237 510
Total unexpended resources and special capital resources	**377 736**	**232 726**	**843**	**6 354**	—	—	**378 579**	**239 080**
Total reserves and fund balances	**569 736**	**401 726**	**843**	**6 354**	—	—	**570 579**	**408 080**
Total liabilities and reserves and fund balances	**6 279 040**	**3 580 565**	**1 055**	**6 485**	**(1 055)**	**(6 470)**	**6 279 040**	**3 580 580**

United Nations Development Programme
Biennium 2006-2007

Statement II. Assets, liabilities, reserves and fund balances as at 31 December 2007

II.2. Other resources activities

(Thousands of United States dollars)

	UNDP cost-sharing		*Government Cash Counterpart Contributions (GCCC)*		*Trust Funds established by UNDP*		*Reimbursable support services and miscellaneous activities*		*Total other resources activities*	
	2007	*2005*	*2007*	*2005*	*2007*	*2005*	*2007*	*2005*	*2007*	*2005*
Assets										
Cash	8	—	—	—	—	3	25 288	21 614	25 296	21 617
Government letters of credit and promissory notes — note 10	40 825	198 356	—	—	12 797	49 888	1 755	—	55 377	248 244
Investments held for regular resources	—	—	—	—	419 774	344 787	71 149	47 848	490 923	392 635
Subtotal — investments	—	—	—	—	**419 774**	**344 787**	**71 149**	**47 848**	**490 923**	**392 635**
Total cash, letters of credit, promissory notes and investments	**40 833**	**198 356**	—	—	**432 571**	**394 678**	**98 192**	**69 462**	**571 596**	**662 496**
Advances										
Operating funds provided to Governments	64 176	40 062	1	20	26 118	35 646	569	699	90 864	76 427
Operating funds provided to executing agents	48 407	38 754	—	—	9 990	16 884	248	51	58 645	55 689
Accounts receivable and deferred charges										
Due from core activities	2 000 461	1 415 662	15 630	13 532	1 111 788	853 693	683 092	464 883	3 810 971	2 747 770
Other accounts receivable and deferred charges — note 12 (a)	26 110	24 078	6	—	3 037	5 827	9 028	43 245	38 181	73 150
Accrued interest	39 710	21 233	—	—	5 870	3 434	1 287	818	46 867	25 485
Long-term accounts receivable	—	—	—	—	—	—	350	436	350	436

	UNDP cost-sharing		*Government Cash Counterpart Contributions (GCCC)*		*Trust Funds established by UNDP*		*Reimbursable support services and miscellaneous activities*		*Total other resources activities*	
	2007	*2005*	*2007*	*2005*	*2007*	*2005*	*2007*	*2005*	*2007*	*2005*
Other capital assets	—	—	—	—	—	—	—	—	—	—
Loans to Governments	—	—	—	—	—	—	806	806	806	806
Construction costs	—	—	—	—	—	—	42 918	42 916	42 918	42 916
Capitalized rehabilitation	—	—	—	—	—	—	691	983	691	983
Household appliance rental scheme	—	—	—	—	—	—	—	—	—	—
Allowance for write-down	—	—	—	—	—	—	(9 627)	(9 632)	(9 627)	(9 632)
Total assets	**2 219 697**	**1 738 145**	**15 637**	**13 552**	**1 589 374**	**1 310 162**	**827 554**	**614 667**	**4 652 262**	**3 676 526**

United Nations Development Programme
Biennium 2006-2007

Statement II. Assets, liabilities and reserves and fund balances as at 31 December 2007

II.2. Other resources activities

(Thousands of United States dollars)

	UNDP cost-sharing		*Government Cash Counterpart Contributions (GCCC)*		*Trust funds established by UNDP*		*Reimbursable support services and miscellaneous activities*		*Total other resources activities*	
	2007	*2005*	*2007*	*2005*	*2007*	*2005*	*2007*	*2005*	*2007*	*2005*
Liabilities										
Operating funds payable to Governments	—	—	—	12	3 080	5 933	1	44	3 081	5 989
Operating funds payable to executing agents	5 769	6 462	—	—	24 148	18 076	18	2	29 935	24 540
Unliquidated obligations — note 18	85 460	66 561	—	—	90 155	79 292	71 883	57 788	247 498	203 641
Accounts payable — note 12 (b)	124 467	75 740	—	—	10 944	1 848	14 656	40 848	150 067	118 436
Due to UNDP — regular resources by										
Reserve for field accommodations	—	—	—	—	—	—	2 527	4 272	2 527	4 272
JPO programme	—	—	—	—	—	—	—	—	—	—
Trust funds	—	—	—	—	67 962	82 602	—	—	67 962	82 602
Agency reimbursement of construction costs	—	—	—	—	—	—	7 935	7 748	7 935	7 748
Deferred income	—	—	—	—	20	20	—	—	20	20
Reserve for medical evacuation	—	—	—	—	—	—	422	706	422	706
Contingency reserve fund	—	—	—	—	12 376	9 227	—	—	12 376	9 227
Total liabilities	**215 696**	**148 763**	—	**12**	**208 685**	**196 998**	**97 442**	**111 408**	**521 823**	**457 181**

	UNDP cost-sharing		*Government Cash Counterpart Contributions (GCCC)*		*Trust funds established by UNDP*		*Reimbursable support services and miscellaneous activities*		*Total other resources activities*	
	2007	*2005*	*2007*	*2005*	*2007*	*2005*	*2007*	*2005*	*2007*	*2005*
Reserves and fund balances										
Fund balance — authorized level	—	—	—	—	—	—	25 000	25 000	25 000	25 000
Operational reserve	—	—	—	—	—	—	96 000	77 000	96 000	77 000
Endowment fund	—	—	—	—	3 000	3 000	—	—	3 000	3 000
Special capital resources	—	—	—	—	—	—	—	—	—	—
Unexpended resources	2 004 001	1 589 382	15 637	13 540	1 377 689	1 110 164	609 112	401 259	4 006 439	3 114 345
Total unexpended resources and special capital resources	**2 004 001**	**1 589 382**	**15 637**	**13 540**	**1 377 689**	**1 110 164**	**609 112**	**401 259**	**4 006 439**	**3 114 345**
Total reserves and fund balances	**2 004 001**	**1 589 382**	**15 637**	**13 540**	**1 380 689**	**1 113 164**	**730 112**	**503 259**	**4 130 439**	**3 219 345**
Total liabilities and reserves and fund balances	**2 219 697**	**1 738 145**	**15 637**	**13 552**	**1 589 374**	**1 310 162**	**827 554**	**614 667**	**4 652 262**	**3 676 526**
					Schedule 5		Schedule 6		Overview	

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Statement III. Statement of cash flows for the biennium ended 31 December 2007

III.1 Regular resources activities

(Thousands of United States dollars)

	Core activities	*Special Measures Funds for Least Developed Countries (LDCs)*	*Total regular resources activities*	
			2007	*2005*
Cash flows from operating activities				
Excess (shortfall) of income over expenditure	216 079	(5 505)	210 574	134 866
Add inflows (less outflows)				
Increase (decrease) in accounts payable	(55 978)	76	(55 902)	89 206
(Increase) decrease in other accounts receivable and deferred	12 373	—	12 373	6 050
(Increase) decrease in operating funds provided to Governments	1 135	14	1 149	(7 804)
(Increase) decrease in operating funds provided to executing agency	10 182	—	10 182	42 624
Increase (decrease) in Reserves for Special Initiatives	(448)	—	(448)	(2 225)
Increase (decrease) in Reserve for After-Service Health Insurance	105 936	—	105 936	54 000
Increase (decrease) Deferred income	24 747	—	24 747	—
Increase (decrease) in operational reserve	23 000	—	23 000	27 000
Increase (decrease) in unliquidated obligations	9 979	6	9 985	7 211
Increase (decrease) in deferred liability — funds held in trust	1 280 044			
Less Interest income	21 660	—	21 660	27 202
Net cash from operating activities	**1 605 389**	**(5 409)**	**1 599 980**	**323 726**
Cash flows from investing and financing activities				
Add inflows (Less outflows)				
Increase (decrease) in Due to other programmes — net	1 066 515	5 415	1 071 930	1 070 393
(Increase) decrease in Due from United Nations	(878)		(878)	(10 797)
(Increase) decrease in Due from UNFPA	(87 603)		(87 603)	37 264
(Increase) decrease in Due from UNOPS	151 728		151 728	(59 332)
(Increase) decrease in accrued interest	(22 333)	—	(22 333)	(11 032)

	Core activities	*Special Measures Funds for Least Developed Countries (LDCs)*	*Total regular resources activities*	
			2007	*2005*
Add Interest income	21 660	—	21 660	27 202
Net cash from investing and financing activities	**1 129 089**	**5 415**	**1 134 504**	**1 053 698**
Cash flows from other sources				
Savings on prior biennium's obligations	(76)	—	(76)	821
Refunds to Donors and Transfers to/from other funds — net	(47 993)	(6)	(47 999)	(24 989)
Movement in operational reserves	(23 000)	—	(23 000)	(27 000)
Net cash from other sources	**(71 069)**	**(6)**	**(71 075)**	**(51 368)**
Net increase (decrease) in cash, letters of credit and investments	**2 663 409**	—	**2 663 409**	**1 326 256**
Cash, letters of credit and investments as at 1 January 2007	**3 351 593**		**3 351 593**	**2 025 337**
Cash, letters of credit and investments as at 31 December 2007	**6 015 002**	—	**6 015 002**	**3 351 593**

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Statement III. Statement of cash flows for the biennium ended 31 December 2007

III.2 Other resources activities

(Thousands of United States dollars)

	Cost-sharing	*Government Cash Counterpart Contributions (GCCC)*	*Trust funds established by UNDP*	*Reimbursable support services and miscellaneous activities*	*Total for other resources*	
					2007	*2005*
Cash flows from operating activities						
Excess (shortfall) of income over expenditure	406 443	1 372	290 234	225 708	923 757	1 271 227
Add inflows (less outflows)						
Increase (decrease) in accounts payable	48 727	—	9 096	(26 192)	31 631	26 654
(Increase) decrease in other accounts receivable and deferred charges	(2 032)	(6)	2 790	34 217	34 969	10 977
(Increase) decrease in operating funds provided to Governments — net	(24 114)	7	6 675	87	(17 345)	(608)
(Increase) decrease in operating funds provided to executing agents — net	(10 346)	—	12 966	(181)	2 439	3 322
Increase (decrease) in Reserves for Special Initiatives	—	—	3 149	—	3 149	9 227
Increase (decrease) in Reserve for After-Service Health Insurance	—	—	—	—	—	—
Increase (decrease) Deferred income	—	—	—	—	—	20
Increase (decrease) in operational reserve	—	—	—	19 000	19 000	9 000
Increase (decrease) in unliquidated obligations	18 899	—	10 863	14 095	43 857	107 340
Less Interest income	173 710	1 414	80 453	55 870	311 447	115 809
Net cash from operating activities	**263 867**	**(41)**	**255 320**	**210 864**	**730 010**	**1 321 350**
Cash flows from investing and financing activities						
Add inflows (less outflows)						
Increase (decrease) in Due to other programmes — net	(584 799)	(2 098)	(272 735)	(219 954)	(1 079 586)	(1 105 222)
(Increase) decrease in accrued interest	(18 477)	—	(2 436)	(469)	(21 382)	(14 124)
(Increase) decrease in RFA activities				558	558	3 304

	Cost-sharing	*Government Cash Counterpart Contributions (GCCC)*	*Trust funds established by UNDP*	*Reimbursable support services and miscellaneous activities*	*Total for other resources*	
					2007	*2005*
Add Interest income	173 710	1 414	80 453	55 870	311 447	115 809
Net cash from investing and financing activities	**(429 566)**	**(684)**	**(194 718)**	**(163 995)**	**(788 963)**	**(1 000 233)**
Cash flows from other sources						
Savings on prior biennium's obligations	—	—	(120)	(28)	(148)	1 890
Refunds to Donors and Transfers to/from other funds — net	8 176	725	(22 589)	1 173	(12 515)	(51 212)
Movement in operational reserves	—	—	—	(19 000)	(19 000)	—
Movement in Reserve for Medical Evacuation				(284)	(284)	(492)
Net cash from other sources	**8 176**	**725**	**(22 709)**	**(18 139)**	**(31 947)**	**(49 814)**
Net increase (decrease) in cash, letters of credit and others	**(157 523)**	—	**37 893**	**28 730**	**(90 990)**	**271 303**
Cash, letters of credit and investments as at 1 January 2007	**198 356**	—	**394 678**	**69 462**	**662 496**	**391 193**
Cash, letters of credit and investments as at 31 December 2007	**40 833**	—	**432 571**	**98 192**	**571 596**	**662 496**

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Statement IV. Movement in resources balances for the biennium ended 31 December 2007

IV.1 Regular resources activities

(Thousands of United States dollars)

	Core activities	*Special Measures Funds for Least Developed Countries (LDCs)*	*Total regular resources activities*
Balance as at 1 January 2006	231 156	6 354	237 510
Net excess (shortfall) of income over expenditure	216 079	(5 505)	210 574
Savings on prior biennium's obligations	(76)	—	(76)
Transfer (to) from reserves	(23 000)	—	(23 000)
Refunds to donors and transfers (to) from other funds	(47 993)	(6)	(47 999)
Balance as at 31 December 2007	**376 166**	**843**	**377 009**

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Statement IV. Movement in resources balances for the biennium ended 31 December 2007

IV.2 Other resources activities

(Thousands of United States dollars)

	UNDP cost-sharing	*Government Cash Counterpart Contributions (GCCC)*	*Trust funds established by UNDP*	*Reimbursable support services and miscellaneous activities*	*Total other resources activities*
Balance as at 1 January 2006	1 589 382	13 540	1 110 164	401 259	3 114 345
Net excess (shortfall) of income over expenditure	406 443	1 372	290 234	225 708	923 757
Savings on prior biennium's obligations	—	—	(120)	(28)	(148)
Transfer (to) from reserves	—	—	—	(19 000)	(19 000)
Refunds to donors and transfers (to) from other funds	8 176	725	(22 589)	1 173	(12 515)
Balance as at 31 December 2007	**2 004 001**	**15 637**	**1 377 689**	**609 112**	**4 006 439**

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Schedule 1. Regular resources: other income and expenditure for the biennium ended 31 December 2007

(Thousands of United States dollars)

	2006-2007	*2004-2005*
Other income		
Miscellaneous income and exchange adjustments from accounts of executing agencies	2 966	2 152
Discounts from preferred carriers	1	—
Miscellaneous income	2 450	4 987
Net adjustments on revaluation of currencies and gains on exchange	27 226	35 924
Miscellaneous income from Foreign Exchange Management Activities	—	1 029
Total other income	**32 643**	**44 092**
	Statement I.1	
Other expenditure		
Net adjustments on revaluation of currencies and losses on exchange	40 263	27 729
Exchange adjustments from accounts of executing agents	621	589
Bank charges	5 541	6 377
Expert hiatus financing — extended sick leave costs and compensatory payments	13	—
Miscellaneous expenditure from Foreign Exchange Management Activities	411	1 128
Miscellaneous charges from accounts of executing agents	625	1 376
Miscellaneous expenditure	6 393	380
Write-offs and miscellaneous provisions	31	7 973
Subtotal other expenditure	**53 898**	**45 552**
Provision for After-Service Health Insurance	62 000	54 000
Total other expenditure	**115 898**	**99 552**
	Statement I.1	

The accompanying notes are an integral part of the financial statements.

Schedule 2. Programme expenditure by executing agents and by sources of funds for the biennium ended 31 December 2007

(Thousands of United States Dollars)

Agents	*Target for resource assignment from Core (TRAC)*									
	Country and regional (Line 1.1.1/ 1.1.2/1.2)	*Countries in special situations (Line 1.1.3)*	*Interregional and special activities (Line 1.3)*	*Evaluation (Line 1.4)*	*TCDC (Line 1.5)*	*Special MDG and related initiatives*	*Other*	*Subtotal*	*Amounts charged to cost-sharing*	***Grand total***
UNDESA	3 148	176	—	—	—	743	—	4 067	889	**4 956**
UNIDO	368	—	—	—	—	—	—	368	831	**1 199**
FAO	1 117	—	—	—	—	1	—	1 118	1 221	**2 339**
UNESCO	315	—	—	—	—	—	—	315	852	**1 167**
ILO	1 819	—	109	—	—	—	—	1 928	4 277	**6 205**
ESCAP	24	—	—	—	—	—	—	24	—	**24**
UNCTAD	64	—	—	—	—	—	—	64	156	**220**
UNCHS	881	—	—	—	—	26	—	907	10 053	**10 960**
ICAO	67	—	—	—	—	—	—	67	8 776	**8 843**
WHO	—	—	—	—	—	—	—	—	78	**78**
ITU	48	—	—	—	—	—	—	48	1 213	**1 261**
WMO	(37)	—	—	—	—	—	—	(37)	3 382	**3 345**
ITC	2	—	—	—	—	—	—	2	(6)	**(4)**
WTO	340	—	—	—	—	—	—	340	131	**471**
IMF	70	—	—	—	—	—	—	70	9 533	**9 603**
UNV	435	579	—	—	—	—	—	1 014	2 183	**3 197**
DEVNET	167	—	—	—	—	—	—	167	770	**937**
NEX	492 347	9 611	—	—	352	213	—	502 523	2 917 549	**3 420 072**
UNCDF	2 811	—	—	—	—	—	—	2 811	3 244	**6 055**
UNIFEM	158	—	—	—	—	—	—	158	—	**158**
UNOPS	47 464	606	810	7 549	5 571	739	3 145	65 884	39 544	**105 428**
UNDP	340 819	47 509	55 700	183	3 500	4 117	16 358	468 186	1 297 435	**1 765 621**
NGOs international	4 316	—	—	—	—	—	—	4 316	2 501	**6 817**
NGOs national	7 885	212	—	—	—	69	—	8 166	50 441	**58 607**

	Target for resource assignment from Core (TRAC)									
Agents	*Country and regional (Line 1.1.1/ 1.1.2/1.2)*	*Countries in special situations (Line 1.1.3)*	*Interregional and special activities (Line 1.3)*	*Evaluation (Line 1.4)*	*TCDC (Line 1.5)*	*Special MDG and related initiatives*	*Other*	*Subtotal*	*Amounts charged to cost-sharing*	***Grand total***
Others	1 270	—	—	—	—	—	—	1 270	—	**1 270**
Grand total	**905 898**	**58 693**	**56 619**	**7 732**	**9 423**	**5 908**	**19 503**	**1 063 776**	**4 355 053**	**5 418 829**
								Statement 1.1 Core activities	Statement 1.2 Cost-sharing	

Notes:

(a) The expenditures in the "Other" column represent the following:

Fund	*Description*	
04800	HDRO	11 736
04810	Office of Development Studies	2 135
04950	PAPP Core Programme	5 632
		19 503

(b) This schedule does not include the expenditure of $5,505,000 for the Special Measures Fund for Least Developed Countries.

The accompanying notes are an integral part of the financial statements.

Schedule 2.1 Programme expenditure by implementing agents and sources of funds for the biennium ended 31 December 2007

(Thousands of United States Dollars)

	Expenditure charged to regular resources activities									
	Target for resource assignment from Core (TRAC)									
Agents	*Country and regional (Line 1.1.1/ 1.1.2/1.2)*	*Countries in special situations (Line 1.1.3)*	*Global, interregional and special activities (Line 1.3)*	*Evaluation (Line 1.4)*	*TCDC (Line 1.5)*	*Other*	*Special MDG and related initiatives*	*Subtotal*	*Amounts charged to cost-sharing*	***Grand total***
DESA	7 012	176	—	—	—	—	743	7 931	4 997	**12 928**
UNIDO	1 149	—	—	—	—	—	—	1 149	1 189	**2 338**
FAO	5 032	—	—	—	—	—	1	5 033	4 520	**9 553**
UNESCO	122	—	—	—	—	—	—	122	5 332	**5 454**
ILO	1 633	583	119	—	—	—	—	2 335	852	**3 187**
ESCAP	682	24	—	—	—	—	122	828	284	**1 112**
UNCTAD	564	—	(4)	—	53	—	—	613	1 767	**2 380**
UNCHS	6 535	169	—	—	—	—	26	6 730	10 790	**17 520**
ICAO	107	—	—	—	—	—	—	107	14 040	**14 147**
WHO	66	—	—	—	—	—	—	66	229	**295**
IBRD	127	—	—	—	—	—	—	127	—	**127**
ITU	48	—	—	—	—	—	—	48	20 244	**20 292**
WMO	(37)	—	—	—	—	—	—	(37)	3 384	**3 347**
ITC	2	—	—	—	—	—	—	2	1 091	**1 093**
WTO	740	—	—	—	—	—	—	740	392	**1 132**
IMF	70	—	—	—	—	—	—	70	9 533	**9 603**
UNV	13	—	—	—	—	—	—	13	240	**253**
UNITAR	1 324	448	—	—	—	—	—	1 772	—	**1 772**
DEVNET	167	167	—	—	—	—	—	334	770	**1 104**
IOM	22	712	—	—	—	—	—	734	238	**972**
UNEP	—	—	—	—	—	—	—	—	266	**266**
NEX	498 463	7 963	30	—	352	—	199	507 007	2 992 075	**3 499 082**
UNFPA	—	—	—	—	—	—	—	—	987	**987**

Agents	Expenditure charged to regular resources activities									
	Target for resource assignment from Core (TRAC)									
	Country and regional (Line 1.1.1/1.1.2/1.2)	Countries in special situations (Line 1.1.3)	Global, interregional and special activities (Line 1.3)	Evaluation (Line 1.4)	TCDC (Line 1.5)	Other	Special MDG and related initiatives	Subtotal	Amounts charged to cost-sharing	Grand total
UNCDF	2 624	—	—	—	—	—	—	2 624	1 175	**3 799**
UNIFEM	158	—	255	—	—	—	—	413	212	**625**
UNOPS	67 118	1 666	1 324	7 549	7 831	7 552	739	93 779	73 049	**166 828**
UNDP	308 124	46 676	54 895	183	1 187	11 951	4 078	427 094	1 168 861	**1 595 955**
NGOs international	551	110	—	—	—	—	—	661	29 525	**30 186**
NGOs national	3 482	(1)	—	—	—	—	—	3 481	9 011	**12 492**
Grand total	**905 898**	**58 693**	**56 619**	**7 732**	**9 423**	**19 503**	**5 908**	**1 063 776**	**4 355 053**	**5 418 829**
								Statement 1.1 Core activities	Statement 1.2 Cost-sharing	

Notes:

(a) The expenditures in the "Other" column represent the following:

Fund	*Description*	
04800	HDRO	11 736
04810	Office of Development Studies	2 135
04950	PAPP Core Programme	5 632
		19 503

(b) This schedule does not include the expenditure of $5,505,000 for the Special Measures Fund for Least Developed Countries.

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Schedule 3. Biennial support budget for the biennium ended 31 December 2007:

Programme support activities;

Management and administration costs;

Support to operational activities of the United Nations system

(Thousands of United States dollars)

		Revised appropriations 2006-2007	*2006-2007 expenditure*			*Balance*
			Disbursements	*Obligations*	*Total*	
Programme support activities						
Country Offices		343 720	319 078	7 472	326 550	17 170
Headquarters		75 405	67 095	1 963	69 058	6 347
Total		**419 125**	**386 173**	**9 435**	**395 608**	**23 517**
Management and administration						
Management and administration		138 953	129 417	6 912	136 329	2 624
Total		**138 953**	**129 417**	**6 912**	**136 329**	**2 624**
Support to operational activities of the United Nations system						
Country Offices		120 767	112 386	2 625	115 011	5 756
Development Group Office		3 962	3 521	48	3 569	393
Inter-Agency Procurement Services Office		1 142	835	9	844	298
United Nations Volunteers programme		35 085	33 747	212	33 959	1 126
Total		**160 956**	**150 489**	**2 894**	**153 383**	**7 573**
United Nations Capital Development Fund		10 022	9 592	—	9 592	430
Total biennial support budget — gross		**729 056**	**675 671**	**19 241**	**694 912**	**34 144**
Less income	**note 5**	**(71 210)**	**(60 840)**	—	**(60 840)**	**(10 370)**
Total biennial support budget — net		**657 846**	**614 830**	**19 242**	**634 072**	**23 774**
					Statement I.1	

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Schedule 4. Regular resources: biennial support budget (gross) and expenditure against biennial support budget (gross by major category of expenditure) for the biennium ended 31 December 2007

(Thousands of United States dollars)

	Appropriations 2006-2007	*2006-2007 expenditure*			
		Disbursements	*Obligations*	*Total*	*Balance*
Posts	511 163	453 456	5 944	459 400	51 763
Other staff costs	8 292	2 147	—	2 147	6 145
Consultants	6 384	9 014	583	9 597	(3 213)
Travel	14 687	26 800	791	27 591	(12 904)
Operating expenses	146 405	133 921	8 116	142 037	4 368
Furniture	18 458	18 326	3 735	22 061	(3 603)
Reimbursements/contributions	23 667	32 007	72	32 079	(8 412)
Total	**729 056**	**675 671**	**19 241**	**694 912**	**34 144**
				Schedule 3	

The accompanying notes are an integral part of the financial statements.

Schedule 5. Trust funds established by UNDP:

Schedule of income, expenditure and fund balances for the biennium ended 31 December 2007

(Thousands of United States dollars)

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
Fund Manager: BDP												
Trust Fund to Combat Desertification and Drought (UNSO)	2006-2007	4 315	9 677	701	172	10 550	3 410	292	151	3 853	(239)	10 773
	2004-2005	3 605	1 294	389	125	1 808	1 386	(958)	104	532	(566)	4 315
Trust Fund for the Global Environment Facility (GEF)	2006-2007	169 273	537 884	19 321	9 339	566 544	431 188	40 168	14 585	485 941	(1 790)	248 086
	2004-2005	113 331	403 111	3 205	15 291	421 607	327 971	32 343	7 515	367 829	2 164	169 273
Multilateral Fund for the Implementation of the Montreal Protocol	2006-2007	109 552	24 607	8 753	2 037	35 397	44 001	5 916	1 794	51 711	(60)	93 178
	2004-2005	79 121	85 104	3 775	7 231	96 110	56 903	6 607	1 961	65 471	(208)	109 552
Capacity "21" Trust Fund	2006-2007	6 087	20	756	17	793	2 472	442	124	3 038	(3 750)	92
	2004-2005	16 920	2	560	14	576	10 197	1 213	(1)	11 409	—	6 087
Capacity "2015" Trust Fund	2006-2007	—	—	170	1 086	1 256	1 753	333	389	2 475	4 039	2 820
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
UNDP Energy account	2006-2007	1 904	85	186	—	271	629	25	—	654	1	1 522
	2004-2005	2 237	529	121	—	650	978	73	—	1 051	68	1 904
Government of France Trust Fund for the UNDP/World Bank Energy Sector Management Assessment Programme	2006-2007	476	—	41	—	41	—	—	—	—	(497)	20
	2004-2005	454	—	22	—	22	—	—	—	—	—	476
World Maritime University Trust Fund	2006-2007	109	—	3	—	3	108	—	—	108	—	4
	2004-2005	—	2	4	—	6	—	—	—	—	103	109
Global Consultation on Water Supply and Sanitation for the 1990s	2006-2007	2	—	—	—	—	—	—	—	—	(2)	—
	2004-2005	53	—	2	—	2	—	—	—	—	(53)	2

Name of Trust Fund	*Year*	*Fund balances as at 1 January*[a]	*Income*				*Expenditure*				*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
			Trust funds				*Trust funds*					
			Contributions	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*		
Government of Germany Trust Fund for the UNDP/World Bank Energy Sector Management Assistance Programme	2006-2007	310	—	29	—	29	14	—	—	14	(310)	15
	2004-2005	318	—	15	—	15	23	—	—	23	—	310
UNDP Trust Fund for Council on Health Research for Development (COHRED)	2006-2007	—	—	—	—	—	—	—	—	—	—	—
	2004-2005	(141)	—	—	—	—	—	—	—	—	141	—
UNDP Trust Fund in Support of the Activities of the World Commission on Forests and Sustainable Development	2006-2007	1	—	—	—	—	—	—	—	—	(2)	(1)
	2004-2005	1	—	—	—	—	—	—	—	—	—	1
UNDP Trust Fund for World Summit on Social Development	2006-2007	3 602	—	248	—	248	2 037	113	—	2 150	134	1 834
	2004-2005	3 513	—	170	—	170	81	—	—	81	—	3 602
UNDP Trust Fund for Public-Private Partnerships for the Urban Environment	2006-2007	2 606	1 065	110	33	1 208	1 698	27	661	2 386	—	1 428
	2004-2005	877	2 060	39	684	2 783	118	—	936	1 054	—	2 606
UNDP/Denmark Trust Fund for Local Initiative Facility for Urban Environment (LIFE) in the Low-Income Urban Areas in Thailand	2006-2007	119	—	2	—	2	—	—	—	—	(119)	2
	2004-2005	—	—	—	—	—	—	—	—	—	119	119
UNDP/Denmark Trust Fund for Global and Regional Support for the Aid Accountability Initiative	2006-2007	80	—	3	—	3	—	82	—	82	—	1
	2004-2005	76	—	4	—	4	—	—	—	—	—	80
Netherlands Trust Fund for Special Action Programme for Public Administration and Management (SAPAM)	2006-2007	1 947	—	175	—	175	1 283	16	—	1 299	—	823
	2004-2005	1 918	—	91	—	91	60	2	—	62	—	1 947

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
UNDP/EEC Trust Fund for Sustainable Energy as a Tool for Development for ACP Countries	2006-2007	(1)	—	—	—	—	—	—	—	—	1	—
	2004-2005	6	—	—	—	—	—	—	—	—	(7)	(1)
Trust Fund for the Follow-up Activities to the World Summit on Social Development (WSSD) — phase II	2006-2007	1 025	—	84	14	98	881	—	5	886	—	237
	2004-2005	2 051	—	49	24	73	(5)	—	1 104	1 099	—	1 025
UNDP Trust Fund to Support Micro-Finance and Enterprise Development	2006-2007	296	—	26	—	26	—	—	—	—	(309)	13
	2004-2005	282	—	14	—	14	—	—	—	—	—	296
UNDP/European Commission Ministerial on Poverty and Environment	2006-2007	—	—	—	—	—	—	—	—	—	—	—
	2004-2005	1	—	—	—	—	—	—	—	—	(1)	—
International Development Research Centre Trust Fund for Information Management Training Series	2006-2007	—	—	—	—	—	17	—	—	17	—	(17)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
Support to Decentralized Government Programme	2006-2007	—	—	—	—	—	—	—	—	—	—	—
	2004-2005	—	—	—	—	—	220	—	—	220	220	—
EEC Trust Fund for Forest Management to Support Sustainable Livelihoods in Cameroon, Guyana and Malawi	2006-2007	152	—	15	—	15	—	—	—	—	(3)	164
	2004-2005	140	—	7	—	7	(5)	—	—	(5)	—	152
UNDP Trust Fund to Support the Organization of the Warsaw Conference	2006-2007	79	—	9	—	9	8	—	—	8	—	80
	2004-2005	202	33	7	—	40	163	—	—	163	—	79
UNDP/United States Environmental Trust Fund	2006-2007	1 406	—	114	—	114	473	10	—	483	—	1 037
	2004-2005	2 036	—	82	—	82	712	—	—	712	—	1 406
Germany Trust Fund for UNDP Programme for Accountability and Transparency (PACT)	2006-2007	374	—	58	—	58	213	—	—	213	—	219
	2004-2005	286	610	19	—	629	541	—	—	541	—	374

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
UNDP Trust Fund for Support to the Government of Morocco for the Organization of the 7th Session of the Conference of the Parties (COP7) to United Nations Framework Convention on Climate Change (UNFCCC)	2006-2007	396	—	28	—	28	349	—	—	349	—	75
	2004-2005	378	—	18	—	18	—	—	—	—	—	396
Integrated Framework Trust Fund (IFTF) for Trade-related Technical Assistance to Least Developed Countries — Window I	2006-2007	8 553	4 287	454	32	4 773	3 517	161	—	3 678	5 940	15 588
	2004-2005	5 086	5 629	306	23	5 958	3 089	83	—	3 172	681	8 553
UNDP/Germany Trust Fund for Decentralization and Local Governance for Poverty Reduction	2006-2007	90	—	46	—	46	(67)	—	—	(67)	—	203
	2004-2005	478	208	27	—	235	623	—	—	623	—	90
UNDP Thematic Trust Funds on HIV/AIDS	2006-2007	2 291	1 593	202	(142)	1 653	—	48	528	576	2	3 370
	2004-2005	3 156	1 146	156	34	1 336	—	1	2 200	2 201	—	2 291
UNDP Thematic Trust Fund on Information and Communication Technology (ICT)	2006-2007	3 962	5 276	504	154	5 934	—	40	907	947	(80)	8 869
	2004-2005	6 027	—	210	27	237	3	68	2 231	2 302	—	3 962
UNDP Thematic Trust Fund for Democratic Governance	2006-2007	19 447	32 726	1 420	18 885	53 031	—	844	35 528	36 372	1 020	37 126
	2004-2005	10 604	30 909	723	12 216	43 848	121	748	33 723	34 592	(413)	19 447
UNDP Thematic Trust Fund on Energy for Sustainable Development	2006-2007	9 599	—	361	632	993	—	152	6 014	6 166	411	4 837
	2004-2005	6 215	3 664	327	4 166	8 157	44	81	4 744	4 869	96	9 599
UNDP Thematic Trust Fund on Poverty Reduction for Sustainable Development	2006-2007	6 161	7 586	344	791	8 721	2	130	5 322	5 454	309	9 737
	2004-2005	6 862	3 676	220	1 944	5 840	—	145	6 451	6 596	55	6 161
UNDP Thematic Trust Fund on Gender	2006-2007	2 517	2 551	243	54	2 848	—	156	2 096	2 252	—	3 113
	2004-2005	—	5 556	171	4	5 731	—	—	3 214	3 214	—	2 517

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	*Year*	*Fund balances as at 1 January*[a]	*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*	*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
UNDP Thematic Trust Fund on Environment	2006-2007	2 072	10 565	291	12 766	23 622	—	27	4 071	4 098	—	21 596
	2004-2005	54	2 040	23	526	2 589	—	—	571	571	—	2 072
EEC Trust Fund for Integrated Framework for Trade-related Technical Assistance to Least Developed Countries	2006-2007	7	—	8	—	8	—	—	—	—	—	15
	2004-2005	142	—	7	—	7	—	—	—	—	(142)	7
EEC Trust Fund for Poverty and Environment Initiative — phase II	2006-2007	5	—	1	—	1	—	—	—	—	—	6
	2004-2005	(2)	—	—	—	—	(7)	—	—	(7)	—	5
Integrated Framework Trust Fund (IFTF) for Trade-related Technical Assistance to Least Developed Countries — window II	2006-2007	14 128	—	—	24 128	24 128	—	—	6 865	6 865	943	32 334
	2004-2005	1 022	—	50	13 192	13 242	—	—	2 511	2 511	2 375	14 128
Integrated Framework Trust Fund (IFTF) for Trade-related Technical Assistance to Least Developed Countries — Holding Account	2006-2007	—	5 929	—	—	5 929	—	—	—	—	—	5 929
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
E-Parliament Initiative	2006-2007	12	37	—	—	37	16	—	—	16	—	33
	2004-2005	—	190	—	—	190	163	15	—	178	—	12
EEC — Improving market access for drylands commodities	2006-2007	178	357	—	—	357	466	26	—	492	—	43
	2004-2005	—	436	—	—	436	241	17	—	258	—	178
EEC Trust Fund for BDP-EEC — Capacity Building for Integrated Water Management in Africa and the Caribbean	2006-2007	—	669	10	—	679	599	30	—	629	—	50
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for The ACE Practitioners' Network	2006-2007	—	538	—	—	538	430	20	—	450	—	88
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
Total Fund Manager: BDP	**2006-2007**	**373 132**	**645 452**	**34 716**	**69 998**	**750 166**	**495 497**	**49 058**	**79 040**	**623 595**	**5 639**	**505 342**
	2004-2005	**267 309**	**546 199**	**10 813**	**55 501**	**612 513**	**403 620**	**40 438**	**67 264**	**511 322**	**4 632**	**373 132**

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	Year	Fund balances as at 1 January[a]	Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total	Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
Fund Manager: UNDP Africa												
UNDP Trust Fund for Angola	2006-2007	2 764	—	51	176	227	—	—	—	—	(545)	2 446
	2004-2005	3 509	—	24	123	147	—	—	—	—	(892)	2 764
UNDP/Denmark Trust Fund for Electoral Assistance Project in Burundi	2006-2007	81	—	8	—	8	—	—	—	—	—	89
	2004-2005	77	—	4	—	4	—	—	—	—	—	81
UNDP/Sweden Trust Fund to Support Reconstruction and Reconciliation Activities in Burundi	2006-2007	—	—	(9)	—	(9)	—	—	—	—	—	(9)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Disarmament Demobilization and Reintegration Action in the Pool Region Congo-Brazzaville	2006-2007	707	—	32	—	32	—	—	—	—	(760)	(21)
	2004-2005	674	—	33	—	33	—	—	—	—	—	707
UNDP Trust Fund for Rwanda	2006-2007	1 352	—	(1)	67	66	(36)	1	—	(35)	(169)	1 284
	2004-2005	969	371	(36)	36	371	651	22	(440)	233	245	1 352
Trust Fund for Emergency Assistance to the People's Republic of Mozambique	2006-2007	—	—	—	—	—	—	—	—	—	—	—
	2004-2005	(1)	—	—	—	—	—	—	—	—	1	—
UNDP/Norway Trust Fund for Assistance to the Electoral Process in Mozambique	2006-2007	766	—	—	88	88	—	—	—	—	—	854
	2004-2005	713	—	—	53	53	—	—	—	—	—	766
UNDP/IDA Trust Fund for the National Environment Support Programme in Mozambique	2006-2007	19	—	2	—	2	—	—	—	—	—	21
	2004-2005	84	—	3	—	3	—	—	—	—	(68)	19
UNDP Trust Fund for the Mozambique Mine Clearance Programme	2006-2007	2 581	—	175	—	175	(5)	—	—	(5)	—	2 761
	2004-2005	2 498	(59)	156	—	97	—	—	—	—	(14)	2 581
Trust Fund for Democratization Support to the Electoral Process in Guinea-Bissau	2006-2007	31	—	3	—	3	—	—	—	—	—	34
	2004-2005	24	—	7	—	7	—	—	—	—	—	31

			Income				*Expenditure*					
			Trust funds				*Trust funds*					
Name of Trust Fund	*Year*	*Fund balances as at 1 January*[a]	*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*	*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
UNDP Trust Fund for Demobilization, Reintegration, Rehabilitation and Recovery in Sierra Leone	2006-2007	225	—	22	—	22	—	—	—	—	—	247
	2004-2005	215	—	10	—	10	—	—	—	—	—	225
CIDA/UNDP Trust Fund to Support "Recensement général de la population et de l'habitat" in Senegal	2006-2007	682	—	68	—	68	—	—	—	—	—	750
	2004-2005	650	—	32	—	32	—	—	—	—	—	682
UNDP Trust Fund to Support the Peace Process in North Mali	2006-2007	181	106	8	36	150	(210)	(14)	—	(224)	—	555
	2004-2005	(95)	1 164	3	11	1 178	856	46	—	902	—	181
UNDP Trust Fund for Namibia	2006-2007	216	—	10	—	10	195	3	—	198	—	28
	2004-2005	208	—	8	—	8	—	—	—	—	—	216
UNDP Trust Fund for the United Nations Educational and Training Programme for Southern Africa (UNETPSA)	2006-2007	5 449	—	423	116	539	—	71	26	97	—	5 891
	2004-2005	5 195	—	199	55	254	—	—	—	—	—	5 449
Trust Fund with Norway for Support for Governance in Africa	2006-2007	3 729	—	348	—	348	388	4	—	392	—	3 685
	2004-2005	4 070	—	185	—	185	524	2	—	526	—	3 729
African Training and Management Services (ATMS) Project	2006-2007	193	—	19	—	19	—	—	—	—	—	212
	2004-2005	184	—	9	—	9	—	—	—	—	—	193
UNDP/United Support of Artists for Africa Trust Fund	2006-2007	98	—	10	—	10	—	—	—	—	—	108
	2004-2005	93	—	5	—	5	—	—	—	—	—	98
UNDP Trust Fund for Assistance to Refugee-Related Development Projects in Africa	2006-2007	702	—	70	—	70	—	—	—	—	—	772
	2004-2005	669	—	33	—	33	—	—	—	—	—	702
UNDP Trust Fund to Combat Poverty and Hunger in Africa	2006-2007	1 409	—	—	141	141	—	—	—	—	—	1 550
	2004-2005	1 344	—	—	65	65	—	—	—	—	—	1 409
Finland Trust Fund for National Technical Cooperation Assessment and Programme Activities (NATCAP)	2006-2007	745	—	74	—	74	—	—	—	—	—	819
	2004-2005	710	—	35	—	35	—	—	—	—	—	745

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
CIDA/UNDP Trust Fund for the African Project Development Facility	2006-2007	—	—	—	—	—	—	—	—	—	—	—
	2004-2005	(2)	—	—	—	—	—	—	—	—	2	—
UNDP Trust Fund for Receipt of Payments by Users of the African Project Development Facility	2006-2007	44	—	4	—	4	—	—	—	—	—	48
	2004-2005	42	—	2	—	2	—	—	—	—	—	44
Trust Fund for Special Netherlands Contribution for the Least Developed Countries	2006-2007	756	—	75	—	75	—	2	—	2	—	829
	2004-2005	721	—	35	—	35	—	—	—	—	—	756
UNDP Trust Fund for "Give a Dam" Campaign	2006-2007	(11)	11	—	—	11	—	—	—	—	—	—
	2004-2005	(11)	—	—	—	—	—	—	—	—	—	(11)
OHADA Trust Fund	2006-2007	2 219	41	156	—	197	291	—	—	291	—	2 125
	2004-2005	4 126	514	1 121	—	1 635	3 498	44	—	3 542	—	2 219
UNDP Trust Fund to Support Governance in Africa	2006-2007	196	—	19	—	19	—	—	—	—	—	215
	2004-2005	253	—	10	—	10	66	1	—	67	—	196
UNDP/EEC Trust Fund Agreement for the Africa 2000 Network Programme: Grants in Burkina Faso, Cameroon and Uganda	2006-2007	1	—	—	—	—	—	—	—	—	—	1
	2004-2005	(14)	15	—	—	15	—	—	—	—	—	1
UNDP Trust Fund for EMPRETEC Zimbabwe Endowment Fund	2006-2007	(1)	—	—	—	—	—	—	—	—	1	—
	2004-2005	(1)	—	—	—	—	—	—	—	—	—	(1)
UNDP Trust Fund for the African 2000 Network	2006-2007	755	—	76	—	76	—	—	—	—	—	831
	2004-2005	720	—	35	—	35	—	—	—	—	—	755
Belgium Trust Fund for Programme for Coordination and Assistance on Security and Development (PCASED)	2006-2007	7	—	—	—	—	—	—	—	—	—	7
	2004-2005	59	—	1	—	1	51	2	—	53	—	7
UNDP Trust Fund for Guinea-Bissau	2006-2007	(1 473)	—	27	—	27	—	—	2	2	1 461	13
	2004-2005	(1 488)	—	15	—	15	—	—	—	—	—	(1 473)
UNDP/Belgium Trust Fund for Support to the Electoral Process in South Africa	2006-2007	210	—	21	—	21	—	—	—	—	—	231
	2004-2005	200	—	10	—	10	—	—	—	—	—	210

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
EEC Trust Fund for Development de l'Information Miniere de Base	2006-2007	3	—	7	—	7	—	—	—	—	—	10
	2004-2005	(5)	—	—	—	—	(8)	—	—	(8)	—	3
EEC Trust Fund for Support to Africa Governance Forum II	2006-2007	(200)	—	—	—	—	—	—	—	—	—	(200)
	2004-2005	(200)	—	—	—	—	—	—	—	—	—	(200)
EEC Trust Fund to Support the Electoral Process in Côte d'Ivoire	2006-2007	(36)	—	—	—	—	—	—	—	—	—	(36)
	2004-2005	(1 094)	—	(90)	—	(90)	(1 148)	—	—	(1 148)	—	(36)
UNDP Trust Fund for Support to the Electoral Process in Ghana	2006-2007	462	—	46	—	46	—	—	—	—	—	508
	2004-2005	440	—	22	—	22	—	—	—	—	—	462
EEC Trust Fund for Support to Election Observation in Tanzania	2006-2007	(17)	—	—	—	—	(17)	(1)	—	(18)	—	1
	2004-2005	(17)	—	—	—	—	—	—	—	—	—	(17)
UNDP Trust Fund for Specific Projects and Programmes for OHADA	2006-2007	279	—	—	29	29	—	—	—	—	—	308
	2004-2005	267	—	—	9	9	—	—	(3)	(3)	—	279
EEC Trust Fund for Support to the Observation of the Election Process in Côte d'Ivoire	2006-2007	397	—	151	—	151	—	—	—	—	—	548
	2004-2005	1 443	—	159	—	159	1 148	57	—	1 205	—	397
UNDP Trust Fund for Sierra Leone	2006-2007	65	—	6	—	6	—	—	—	—	—	71
	2004-2005	62	—	3	—	3	—	—	—	—	—	65
EEC Trust Fund for Support to Electoral Process in Chad	2006-2007	386	—	163	—	163	—	—	—	—	—	549
	2004-2005	1 556	—	74	—	74	609	30	—	639	(605)	386
EEC Trust Fund for Emergency Mine Action in Mozambique	2006-2007	1 711	—	171	—	171	—	—	—	—	—	1 882
	2004-2005	1 631	—	80	—	80	—	—	—	—	—	1 711
EEC Trust Fund for Support to the Electoral Process in the Comoros	2006-2007	(212)	—	—	—	—	(332)	—	—	(332)	—	120
	2004-2005	(466)	254	—	—	254	—	—	—	—	—	(212)

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	Year	Fund balances as at 1 January[a]	Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total	Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
UNDP Trust Fund for Support to United Nations Country Team's Humanitarian Assistance and Recovery Programme (HARP) in Zimbabwe	2006-2007	5 463	—	157	388	545	—	—	—	—	—	6 008
	2004-2005	5 208	—	73	182	255	—	—	—	—	—	5 463
EEC Trust Fund — Appui a la Rehabilitation de l'Institution des Bashingantahe Pour la Reconciliation au Burundi	2006-2007	—	—	—	—	—	—	—	—	—	—	—
	2004-2005	(285)	285	—	—	285	—	—	—	—	—	—
EEC Trust Fund for Eritrea Landmine Impact Survey	2006-2007	232	436	28	—	464	—	—	—	—	—	696
	2004-2005	314	—	12	—	12	88	6	—	94	—	232
EEC Trust Fund Réinsertion de jeunes deplacés et ex-Combattants et Remassage des Armes Légères	2006-2007	(52)	—	—	—	—	—	—	—	—	—	(52)
	2004-2005	(52)	—	—	—	—	—	—	—	—	—	(52)
EEC Trust Fund for Nigeria Election 2003 Support Project	2006-2007	734	480	—	—	480	—	—	—	—	(1 214)	—
	2004-2005	763	—	28	—	28	57	—	—	57	—	734
EEC Trust Fund for "Réhabilitation des pistes rurales suivant la méthode haute intensité de main d'oeuvre en République du Congo"	2006-2007	(735)	199	—	—	199	(1)	—	—	(1)	—	(535)
	2004-2005	157	—	—	—	—	892	—	—	892	—	(735)
EEC Trust Fund for Mozambique Landmine Technical Survey: Inhambane and Maputo Provinces	2006-2007	(56)	—	94	—	94	—	—	—	—	—	38
	2004-2005	895	—	42	—	42	—	—	—	—	(993)	(56)
EEC Trust Fund for Sustained Good Governance in Ethiopia through Capacity Building of National Parliament	2006-2007	262	—	15	—	15	—	—	—	—	(298)	(21)
	2004-2005	309	—	15	—	15	60	2	—	62	—	262

			Income				Expenditure					
		Fund balances as at 1 January[a]	Trust funds				Trust funds				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
Name of Trust Fund	Year		Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
EEC Trust Fund for Support to an Expended National Mine Action Coordination Capacity in Angola	2006-2007	30	99	19	—	118	83	5	—	88	—	60
	2004-2005	250	299	10	—	309	513	16	—	529	—	30
EEC Trust Fund for Ethiopia Landmine Impact Survey	2006-2007	(167)	—	—	—	—	(167)	—	—	(167)	—	—
	2004-2005	(16)	—	—	—	—	151	—	—	151	—	(167)
EEC Trust Fund for Election Observation Mission to Nigeria	2006-2007	195	—	—	—	—	1	—	—	1	(194)	—
	2004-2005	(402)	610	—	—	610	13	—	—	13	—	195
EEC Trust Fund for the Legal Advisory Unit in the Office of the United Nations Resident Coordinator in Zimbabwe	2006-2007	73	28	—	—	28	(4)	—	—	(4)	—	105
	2004-2005	212	73	2	—	75	214	—	—	214	—	73
UNDP Trust Fund for Support to the Reform Agenda in Nigeria	2006-2007	1 364	1 635	131	—	1 766	1 294	87	—	1 381	—	1 749
	2004-2005	189	3 190	76	—	3 266	2 032	59	—	2 091	—	1 364
EEC/ECHO Trust Fund for Support to RRU Relief Information and Verification Activities in Zimbabwe	2006-2007	(49)	—	22	—	22	(386)	(19)	—	(405)	(365)	13
	2004-2005	454	—	9	—	9	499	13	—	512	—	(49)
UNDP Trust Fund for Community Assistance and Sustainable Reinstallation in Burundi	2006-2007	3 029	2 547	194	19	2 760	2 686	96	—	2 782	—	3 007
	2004-2005	3 039	2 441	120	20	2 581	2 675	117	499	3 291	700	3 029
Support to Burundi elections process	2006-2007	1 088	—	69	—	69	773	39	—	812	—	345
	2004-2005	—	9 693	133	2 676	12 502	8 355	417	2 642	11 414	—	1 088
Comoros transitional arrangement	2006-2007	92	—	7	—	7	1	—	—	1	—	98
	2004-2005	—	1 898	23	—	1 921	1 733	96	—	1 829	—	92
Appui au processus DDR en Côte d'Ivoire — equipement et fonctionnement des sites et appui à la communication — DDR	2006-2007	1 512	—	—	—	—	1 318	60	—	1 378	—	134
	2004-2005	—	2 601	3	—	2 604	1 040	52	—	1 092	—	1 512
Extension of the Eritrean Landmine Impact Survey	2006-2007	355	(94)	—	—	(94)	—	—	—	—	—	261
	2004-2005	—	354	1	—	355	—	—	—	—	—	355

			Income				Expenditure					
		Fund balances as at 1 January[a]	Trust funds				Trust funds				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
Name of Trust Fund	Year		Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
Fourth Summit of ACP Heads of State and	2006-2007	387	(14)	—	—	(14)	—	—	—	—	(372)	1
Government — Mozambique	2004-2005	—	2 131	1	—	2 132	1 662	83	—	1 745	—	387
Support for Capacity-building to the National Demining Institute in	2006-2007	253	584	—	—	584	431	9	—	440	—	397
Mozambique	2004-2005	—	499	—	—	499	234	12	—	246	—	253
Support to the Organization of Municipal Elections in	2006-2007	242	—	—	—	—	—	—	—	—	—	242
Niger	2004-2005	—	1 328	—	—	1 328	1 043	43	—	1 086	—	242
Humanitarian Information	2006-2007	284	—	—	—	—	(1)	—	—	(1)	(277)	8
Coordination — Zimbabwe	2004-2005	—	890	—	—	890	472	38	—	510	(96)	284
Support to the Office of the Humanitarian Coordinator's Humanitarian Support	2006-2007	4	32	—	—	32	(1)	—	—	(1)	—	37
Team — Zimbabwe	2004-2005	—	266	—	—	266	253	9	—	262	—	4
Support to the Malawi	2006-2007	29	—	—	—	—	97	5	—	102	—	(73)
tripartite elections — 2004	2004-2005	—	2 351	—	—	2 351	2 211	111	—	2 322	—	29
African Peer Review Mechanism of the New Partnership for Africa's	2006-2007	1 821	773	229	—	1 002	2 588	110	—	2 698	1 996	2 121
Development (NEPAD)	2004-2005	—	1 776	45	858	2 679	—	—	858	858	—	1 821
EEC-Republic of Congo Trust Fund for the project "Collecte et destruction des armes pour le	2006-2007	993	1 054	1	—	1 055	1 695	141	—	1 836	—	212
développement"	2004-2005	—	1 537	2	—	1 539	521	25	—	546	—	993
Belgium Trust Fund for Support to the Elections Project in the Democratic	2006-2007	7 151	5 805	1	—	5 806	11 604	621	—	12 225	—	732
Republic of the Congo	2004-2005	—	13 755	11	—	13 766	6 339	276	—	6 615	—	7 151
EEC-Eritrea Trust Fund for Support to the Mine Action Capacity-building	2006-2007	796	—	—	—	—	19	1	—	20	—	776
Programme	2004-2005	—	796	1	—	797	1	—	—	1	—	796

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	Year	Fund balances as at 1 January[a]	Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total	Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
EEC Trust Fund for Support to the 2004 Elections in Ghana	2006-2007	208	—	104	—	104	—	—	—	—	(312)	—
	2004-2005	—	1 921	—	—	1 921	1 601	112	—	1 713	—	208
EEC Trust Fund for the Financing of the Great Lakes Process	2006-2007	1 211	—	—	—	—	675	1	—	676	(494)	41
	2004-2005	—	1 209	2	—	1 211	—	—	—	—	—	1 211
EEC Trust Fund for Support to Legislative and Presidential Elections in Niger	2006-2007	252	—	—	—	—	—	—	—	—	—	252
	2004-2005	—	943	—	—	943	646	45	—	691	—	252
EEC-Comoros Trust Fund — Appui à la mise en oeuvre de l'accord sur les dispositions transitoires	2006-2007	(186)	412	—	—	412	78	5	—	83	—	143
	2004-2005	—	1 715	(15)	—	1 700	1 796	90	—	1 886	—	(186)
EEC Trust Fund in Support of the Democratic Elections, 2004/2005 in Central African Republic	2006-2007	242	—	—	—	—	(1)	—	—	(1)	—	243
	2004-2005	—	3 497	—	—	3 497	3 100	155	—	3 255	—	242
Belgium Trust Fund for Trade Capacity Develoment for Poverty Reduction for Sub-Saharan Africa	2006-2007	310	2 256	23	—	2 279	2 291	82	—	2 373	—	216
	2004-2005	—	933	2	—	935	595	30	—	625	—	310
EEC Trust Fund — Appui a l'organisation des élections présidentielles en Guinée-Bissau	2006-2007	407	—	—	—	—	—	—	—	—	(401)	6
	2004-2005	—	1 490	1	—	1 491	1 013	71	—	1 084	—	407
European Union Election Observation Mission to Liberia	2006-2007	63	—	—	—	—	144	11	—	155	—	(92)
	2004-2005	—	1 984	—	—	1 984	1 791	130	—	1 921	—	63
EEC/Seychelles Trust Fund for Post-Tsunami Rehabilitation Efforts	2006-2007	495	282	—	—	282	735	37	—	772	—	5
	2004-2005	—	494	1	—	495	—	—	—	—	—	495
EC Trust Fund for Project d'appui a l'organisation des élections présidentielles 2006 au Bénin	2006-2007	—	5 744	—	—	5 744	4 998	267	—	5 265	(424)	55
	2004-2005	—	—	—	—	—	—	—	—	—	—	—

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	*Year*	*Fund balances as at 1 January*[a]	*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*	*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
EEC Trust Fund for Appui institutionel au CNDH, au niveau national et provincial	2006-2007	1 190	1 077	—	—	1 077	2 094	154	—	2 248	—	19
	2004-2005	—	1 188	2	—	1 190	—	—	—	—	—	1 190
EEC Trust Fund for Support to the Elections in Côte d'Ivoire	2006-2007	—	267	—	—	267	239	4	—	243	—	24
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund — pour programme d'appui a la bonne gouvernance au Tchad	2006-2007	—	3 562	—	—	3 562	2 799	133	—	2 932	(248)	382
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Rapid Response to Counter Mine Actions in Angola	2006-2007	1 198	1 068	—	—	1 068	2 052	214	—	2 266	—	—
	2004-2005	—	1 196	2	—	1 198	—	—	—	—	—	1 198
EEC — Angola Trust Fund for Implementation of the Ottawa Convention through the disposal of stockpiled anti-personnel landmines	2006-2007	630	527	—	—	527	740	44	—	784	—	373
	2004-2005	—	1 255	1	—	1 256	592	34	—	626	—	630
EEC Trust Fund for Support to Electoral Process in Burundi	2006-2007	(90)	—	1	—	1	—	—	—	—	—	(89)
	2004-2005	—	5 280	7	—	5 287	5 121	256	—	5 377	—	(90)
European Union Trust Fund for Election Observation Mission to Burundi	2006-2007	(167)	—	—	—	—	(2)	—	—	(2)	—	(165)
	2004-2005	—	1 189	—	—	1 189	1 267	89	—	1 356	—	(167)
EEC Trust Fund for Assistance to Electoral Process in the Democratic Republic of the Congo	2006-2007	10 823	19 868	17	—	19 885	21 908	1 446	—	23 354	(5 000)	2 354
	2004-2005	—	112 815	45	—	112 860	98 495	3 542	—	102 037	—	10 823
EEC Trust Fund for Supporting Citizen Access to Justice in Mozambique	2006-2007	2 407	4 667	(127)	—	4 540	5 601	434	—	6 035	—	912
	2004-2005	—	2 440	7	—	2 447	38	2	—	40	—	2 407
EEC/Mozambique Trust Fund — Apoio do Sector Privado, Financiamento De Apoio as PMEs	2006-2007	76	(10)	—	—	(10)	47	5	—	52	—	14
	2004-2005	—	263	—	—	263	176	11	—	187	—	76

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	Year	Fund balances as at 1 January[a]	Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total	Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
UNDP Trust Fund "Appui au processus électoral en Guinée"	2006-2007	912	—	—	—	—	609	60	—	669	—	243
	2004-2005	—	2 118	—	—	2 118	1 149	57	—	1 206	—	912
EEC Trust Fund for Supporting the participation of ACP — SIDS at the Barbados+10 United Nations International Meeting in Mauritius for the Sustainable Development of SIDS	2006-2007	290	—	—	—	—	(2)	—	—	(2)	(289)	3
	2004-2005	—	516	1	—	517	212	15	—	227	—	290
EEC Trust Fund — Appui a la mise en place des centre de brassage dans le cadre de la réforme du secteur sécuritaire en RDC	2006-2007	83	—	—	—	—	(20)	101	—	81	91	93
	2004-2005	—	1 723	1	—	1 724	1 586	55	—	1 641	—	83
EEC Trust Fund for Kenya Integrated Household Budget Survey	2006-2007	44	—	—	—	—	—	—	—	—	—	44
	2004-2005	—	1 192	—	—	1 192	1 093	55	—	1 148	—	44
EEC Trust Fund — Appui aux élections présidentielles 2005 au Togo	2006-2007	97	—	—	—	—	—	—	—	—	—	97
	2004-2005	—	139	—	—	139	39	3	—	42	—	97
EEC-Trust Fund for 2005 Census Support Initiatives in Nigeria	2006-2007	93 899	12 458	17	—	12 475	102 836	4 111	—	106 947	757	184
	2004-2005	—	108 801	164	—	108 965	14 501	565	—	15 066	—	93 899
EEC Trust Fund for Support to the Sustainable Development Poverty Reduction Programme in Ethiopia	2006-2007	958	—	—	—	—	786	39	—	825	—	133
	2004-2005	—	967	2	—	969	10	1	—	11	—	958
EEC Trust Fund for Support to the Organization of the October 2005 National Elections in Liberia	2006-2007	643	—	—	—	—	(274)	(19)	—	(293)	(724)	212
	2004-2005	—	3 256	1	—	3 257	2 398	216	—	2 614	—	643
EEC Trust Fund for Support to the National Civic Education Programme, Phase II	2006-2007	1	61	—	—	61	—	—	—	—	—	62
	2004-2005	—	129	—	—	129	122	6	—	128	—	1

			Income				Expenditure					
		Fund balances as at	Trust funds				Trust funds				Refunds to donors and transfers	Fund balances as at
Name of Trust Fund	*Year*	*1 January*[a]	*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*	*to/from other funds — net*	*31 December*[a]
EEC Initiative pour le leadership, et le renforcement de la cohésion de l'État en RDC	2006-2007	—	230	—	—	230	225	9	—	234	—	(4)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support for the Strengthening of the Rule of Law through Enhanced Capacity of Stakeholders in Zimbabwe	2006-2007	—	711	1	—	712	268	2	—	270	—	442
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support to MINECOFIN-1 2006-7 Phase 1 in Rwanda	2006-2007	—	546	—	—	546	524	25	—	549	—	(3)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support to the Electoral Process in the Democratic Republic of the Congo	2006-2007	—	49 823	—	—	49 823	47 314	2 222	—	49 536	3 093	3 380
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund — Appui a la sécurisation des élections en République démocratique du Congo	2006-2007	—	22 480	—	—	22 480	16 251	781	—	17 032	(3 093)	2 355
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for — Appui a l'élection présidentielle aux Comores	2006-2007	—	656	—	—	656	610	43	—	653	—	3
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Rehabilitation du Centre de Formation de la Police Nationale Congolaise de Kapalata a Kisangani	2006-2007	—	182	—	—	182	130	6	—	136	—	46
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Seychelles-Capacity-Building of State and Non-State Actors in the Seychelles	2006-2007	—	422	—	—	422	337	14	—	351	—	71
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EC Trust Fund for Joint Support Programme to National Monitoring and Evaluation System in Malawi	2006-2007	—	661	—	—	661	463	21	—	484	—	177
	2004-2005	—	—	—	—	—	—	—	—	—	—	—

			Income				*Expenditure*					
		Fund balances as at 1 January[a]	*Trust funds*				*Trust funds*				*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
Name of Trust Fund	*Year*		*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*		
EEC Trust Fund for Support to the Development Assistance Coordination Office (DACO) in Sierra Leone	2006-2007	—	720	—	—	720	644	33	—	677	—	43
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Madagascar — Mise en place d'une liste électorale nationale informatisée de Madagascar	2006-2007	—	1 439	—	—	1 439	1 366	62	—	1 428	—	11
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support to 2006 Elections in Zambia	2006-2007	—	513	—	—	513	513	—	—	513	—	—
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EC — Joint Donor Basket Fund to Support Nigeria's 2007 Elections	2006-2007	—	24 173	—	—	24 173	12 968	1 126	—	14 094	—	10 079
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund pour Appui au processur électoral en Mauritanie	2006-2007	—	7 362	—	—	7 362	6 949	449	—	7 398	—	(36)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EC Support to the 2006-2008 Electoral Cycle in the Gambia	2006-2007	—	531	—	—	531	486	22	—	508	—	23
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support to Burundi Capacity Mine Action Programme	2006-2007	—	1 343	—	—	1 343	1 045	73	—	1 118	—	225
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Mine Action in the Tigray and Afar Regions of Ethiopia	2006-2007	—	5 163	—	—	5 1 63	4 014	258	—	4 272	—	891
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support to Electoral Management Bodies in Sierre Leone	2006-2007	—	9 229	—	—	9 229	8 597	430	—	9 027	—	202
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Appui aux élections législatives 2007, Phase I	2006-2007	—	8 065	—	—	8 065	232	12	—	244	—	7 821
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
Trust Fund for the 2006 Burundi Emergency Programme	2006-2007	—	17 138	885	—	18 023	7 853	264	—	8 117	—	9 906
	2004-2005	—	—	—	—	—	—	—	—	—	—	—

			Income				Expenditure					
		Fund balances as at 1 January[a]	Trust funds				Trust funds				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
Name of Trust Fund	*Year*		*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*		
EEC Trust Fund for Appui aux processus electoraux Togolais 2007-2008	2006-2007	—	13 434	—	—	13 434	12 040	791	—	12 831	—	603
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support to EU Election Observation Mission in Togo, 2007	2006-2007	—	2 218	—	—	2 218	2 121	148	—	2 269	—	(51)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support to the National Institute of Statistics of Rwanda	2006-2007	—	2 043	—	—	2 043	1 496	75	—	1 571	—	472
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support to Swaziland Gender Programme	2006-2007	—	346	—	—	346	—	—	—	—	—	346
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund — Appui au processus électoral aux Comores	2006-2007	—	492	—	—	492	375	25	—	400	—	92
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for "Project CHOC Cameroon: Change Habits-Oppose Corruption"	2006-2007	—	216	—	—	216	—	—	—	—	—	216
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund to Support the Civil Society Index	2006-2007	—	140	—	—	140	—	—	—	—	—	140
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support to the Election Observation Mission to Nigeria in April 2007	2006-2007	—	6 322	—	—	6 322	5 358	371	—	5 729	—	593
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
Total Fund Manager: UNDP Africa	**2006-2007**	**168 797**	**242 559**	**4 123**	**1 060**	**247 742**	**302 816**	**15 612**	**28**	**318 456**	**(7 780)**	**90 303**
	2004-2005	**41 047**	**307 685**	**3 018**	**4 088**	**314 791**	**174 646**	**7 119**	**3 556**	**185 321**	**(1 720)**	**168 797**
Fund Manager: UNDP Asia/Pacific												
UNDP Trust Fund for Humanitarian and Rehabilitation Assistance for Cambodia	2006-2007	2	—	—	—	—	—	—	—	—	—	2
	2004-2005	2	—	—	—	—	—	—	—	—	—	2
UNDP Trustz Fund for Capacity-bilding in Demining Operations for Cambodia	2006-2007	387	210	—	5	215	42	3	—	45	(558)	(1)
	2004-2005	919	3 536	—	1 286	4 822	(1 106)	174	6 286	5 354	—	387

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
UNDP Trust Fund in Support of the Cambodia Area Rehabilitation and Reintegration	2006-2007	236	—	16	—	16	—	42	—	42	(204)	6
	2004-2005	225	—	11	—	11	—	—	—	—	—	236
UNDP Trust Fund for Support to Local and National Elections in Cambodia	2006-2007	16	—	2	—	2	—	—	—	—	—	18
	2004-2005	15	—	1	—	1	—	—	—	—	—	16
UNDP Fund for Emergency Assistance to the People's Republic of Bangladesh	2006-2007	331	—	15	—	15	—	—	—	—	(347)	(1)
	2004-2005	316	—	15	—	15	—	—	—	—	—	331
UNDP Fund for the Utilization of the Residual Funds of the United Nations Special Relief Office in Bangladesh (UNROB)	2006-2007	958	—	83	—	83	—	—	—	—	(1 001)	40
	2004-2005	913	—	45	—	45	—	—	—	—	—	958
UNDP/Denmark Trust Fund for the International Training Network Centre for Water Supply and Waste Management in Bangladesh	2006-2007	(10)	—	—	—	—	—	—	—	—	10	—
	2004-2005	(10)	—	—	—	—	—	—	—	—	—	(10)
UNDP/Lao PDR Trust Fund for Clearance of Unexploded Ordnance (UXO)	2006-2007	1 337	—	—	212	212	285	9	(59)	235	—	1 314
	2004-2005	3 035	1 599	—	127	1 726	2 067	61	1 289	3 417	(7)	1 337
UNDP Afghanistan Emergency Trust Fund	2006-2007	(41)	—	—	—	—	—	—	—	—	41	—
	2004-2005	(45)	—	1	—	1	(61)	—	—	(61)	(58)	(41)
UNDP Trust Fund for the Republic of Maldives	2006-2007	3	—	—	—	—	—	—	—	—	(3)	—
	2004-2005	3	—	—	—	—	—	—	—	—	—	3
UNDP/NOVIB/Group of Resource Persons for Awareness Creation for Environment and Sustainable Development in Asia	2006-2007	—	—	—	—	—	—	—	—	—	—	—
	2004-2005	(8)	—	—	—	—	—	—	—	—	8	—

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	Year	Fund balances as at 1 January[a]	Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total	Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
UNDP/Australia Trust Fund for Fiscal and Monetary Management Reform and Statistical Improvement Phase II	2006-2007	38	—	2	—	2	—	—	—	—	(37)	3
	2004-2005	36	—	2	—	2	—	—	—	—	—	38
UNDP/Republic of Korea Trust Fund in Support of the Tumen River Area Development Programme	2006-2007	1 635	—	160	—	160	589	10	—	599	403	1 599
	2004-2005	1 632	200	79	—	279	276	—	—	276	—	1 635
UNDP/Democratic People's Republic of Korea Trust Fund for Agricultural Relief and Rehabilitation Programme	2006-2007	160	—	14	—	14	(7)	—	—	(7)	(176)	5
	2004-2005	401	—	16	—	16	250	7	—	257	—	160
UNDP Trust Fund Agreement for Multi-Donor Partner Support to the Mekong River Commission for Key Officers' Posts and Capacity-building	2006-2007	—	—	—	—	—	—	—	—	—	—	—
	2004-2005	74	—	1	—	1	—	—	—	—	(75)	—
UNDP/Republic of Korea Trust Fund	2006-2007	607	688	46	—	734	91	3	—	94	(623)	624
	2004-2005	659	271	27	—	298	—	—	—	—	(350)	607
Belgium/Philippines Trust Fund for Human Resources Development for Governance and Livelihood for the Southern Philippines Council for Peace and Development (SPCD)	2006-2007	(4)	—	—	—	—	(5)	—	—	(5)	—	1
	2004-2005	(4)	—	—	—	—	—	—	—	—	—	(4)

			Income				Expenditure					
		Fund balances as at	Trust funds				Trust funds				Refunds to donors and transfers	
Name of Trust Fund	Year	1 January[a]	Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total	to/from other funds — net	Fund balances as at 31 December[a]
Belgium/Philippines Trust Fund for Vocational Skills Training and Enterprise Development for FMLN Soldiers, their Families and Communities	2006-2007	77	—	8	—	8	—	—	—	—	—	85
	2004-2005	73	—	4	—	4	—	—	—	—	—	77
UNDP Trust Fund for the Indonesian Community Recovery Programme	2006-2007	37	—	2	—	2	(1)	—	—	(1)	—	40
	2004-2005	2 290	—	24	—	24	2 211	66	—	2 277	—	37
Australian Development Assistance Bureau (ADAB)/UNDP Programme Trust Fund	2006-2007	995	—	99	—	99	—	—	—	—	—	1 094
	2004-2005	949	—	46	—	46	—	—	—	—	—	995
UNDP Trust Fund for Support to Forest Crime Monitoring and Reporting in Cambodia	2006-2007	(5)	—	—	—	—	(6)	—	—	(6)	—	1
	2004-2005	(6)	—	—	—	—	—	—	—	—	1	(5)
UNDP Trust Fund to Support Capacity-building for Governance Reform in Indonesia	2006-2007	3 819	3 557	353	—	3 910	4 763	127	—	4 890	—	2 839
	2004-2005	8 107	2 282	193	—	2 475	6 574	189	—	6 763	—	3 819
United Nations Inter-agency Appeal for Mongolia — DZUD 2000, An Evolving Disaster	2006-2007	3	—	1	—	1	—	—	—	—	(3)	1
	2004-2005	3	—	—	—	—	—	—	—	—	—	3
UNDP Trust Fund for Support to the Humanitarian Pause in Aceh	2006-2007	40	—	4	—	4	—	—	—	—	—	44
	2004-2005	38	—	2	—	2	—	—	—	—	—	40

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
Trust Fund for Support to the Project on Regional Network on Pesticides for Asia and the Pacific: Cleaner Production and Environmentally Sound Management of Pesticides, Promotion of Safety, Health and Environmental Protection for Risk Reduction (RENPAP)	2006-2007	—	—	—	—	—	—	—	—	—	—	—
	2004-2005	(19)	—	—	—	—	—	—	—	—	19	—
Japan Trust Fund for Scholarships to East Timorese Students in East Timor	2006-2007	104	—	10	—	10	—	—	—	—	—	114
	2004-2005	390	—	9	—	9	286	9	—	295	—	104
UNDP Trust Fund for Support to North Maluku and Maluku Recovery Programme	2006-2007	666	—	—	—	—	570	53	—	623	(36)	7
	2004-2005	3 144	5 090	33	—	5 123	7 566	230	—	7 796	195	666
EEC Trust Fund for China Training Programme on Village Governance	2006-2007	161	—	2	—	2	53	43	—	96	(130)	(63)
	2004-2005	85	308	4	—	312	236	—	—	236	—	161
EEC (ECHO) Trust Fund for Temporary Shelter for the Poor and Vulnerable Groups in Bhuj City of Kutch District in Gujarat	2006-2007	689	—	69	—	69	—	—	—	—	—	758
	2004-2005	657	—	32	—	32	—	—	—	—	—	689
UNDP Trust Fund for Peace and Development Initiative in Nepal	2006-2007	270	—	11	—	11	214	10	—	224	—	57
	2004-2005	800	718	24	—	742	1 256	16	—	1 272	—	270
Belgium Trust Fund for Support of the Judicial Capacity for East Timor	2006-2007	56	—	—	—	—	47	2	—	49	—	7
	2004-2005	141	—	3	—	3	84	4	—	88	—	56
EEC Trust Fund for Support to Election Observation Mission to Bangladesh for the Parliamentary Elections	2006-2007	12	—	12	—	12	—	—	—	—	—	24
	2004-2005	119	—	6	—	6	—	—	—	—	(113)	12

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
EEC Trust Fund for Support to the Constituent Elections in East Timor	2006-2007	—	—	—	—	—	—	—	—	—	—	—
	2004-2005	(199)	—	—	—	—	(199)	—	—	(199)	—	—
UNDP Trust Fund for World Summit on Sustainable Development (WSSD) Preparations and Follow-up in Indonesia	2006-2007	(15)	—	—	—	—	(15)	—	—	(15)	—	—
	2004-2005	(11)	—	—	—	—	4	—	—	4	—	(15)
UNDP/EEC Trust Fund for Support to the Communal Elections in Cambodia	2006-2007	161	—	—	—	—	—	—	—	—	—	161
	2004-2005	155	97	6	—	103	92	5	—	97	—	161
EEC Trust Fund for Capacity Development for Municipal Solid Waste Management Reform in China	2006-2007	—	—	—	—	—	(1)	—	—	(1)	—	1
	2004-2005	35	—	—	—	—	33	2	—	35	—	—
Law and Order Trust Fund for Afghanistan	2006-2007	(73)	201 927	1 981	—	203 908	147 874	4 507	—	152 381	—	51 454
	2004-2005	4 557	27 698	55	713	28 466	31 441	943	712	33 096	—	(73)
EEC Trust Fund for Support to the Election Observation Mission for the Presidential Elections in East Timor	2006-2007	30	—	8	—	8	—	—	—	—	—	38
	2004-2005	100	—	4	—	4	1	—	—	1	(73)	30
UNDP/East Timor Special Fund for Former Indonesian Government Employees	2006-2007	50	—	4	—	4	—	—	—	—	(49)	5
	2004-2005	(320)	—	50	150	200	4 676	—	(4 846)	(170)	—	50
EEC Trust Fund for Recovery and Employment Afghanistan Programme (REAP)	2006-2007	59	—	—	—	—	—	—	—	—	—	59
	2004-2005	(380)	59	—	—	59	(437)	57	—	(380)	—	59
EEC Training Fund for Capacity-building through the Establishment of ICT Training Centres	2006-2007	54	—	—	—	—	50	2	—	52	—	2
	2004-2005	82	—	3	—	3	30	1	—	31	—	54
EEC/Indonesia Partnership for Governance Reform	2006-2007	1 718	4 057	153	—	4 210	4 115	13	—	4 128	(5)	1 795
	2004-2005	1 383	7 505	23	—	7 528	7 053	140	—	7 193	—	1 718

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	*Year*	*Fund balances as at 1 January*[a]	*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*	*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
Germany Trust Fund for Support to the Law and Order Trust Fund (LOFTA)	2006-2007	—	—	—	—	—	—	—	—	—	—	—
	2004-2005	(37)	—	—	—	—	—	—	—	—	37	—
EEC Trust Fund for Afghanistan Landmine Impact Survey	2006-2007	181	—	4	—	4	48	—	—	48	—	137
	2004-2005	379	854	—	—	854	1 002	50	—	1 052	—	181
Service delivery and resettlement: options for development planning	2006-2007	36	—	4	—	4	—	—	—	—	(48)	(8)
	2004-2005	35	—	1	—	1	—	—	—	—	—	36
EEC Trust Fund to Capacity-building for Information Management in Afghanistan	2006-2007	62	—	—	—	—	14	—	—	14	—	48
	2004-2005	269	456	—	—	456	644	19	—	663	—	62
France Trust Fund to Support Capacity Development of the Civil Service in Afghanistan	2006-2007	299	—	22	—	22	89	3	—	92	—	229
	2004-2005	916	—	21	—	21	619	19	—	638	—	299
EEC Trust Fund for the Establishment of the National Livelihood-based Food Security and Nutritional Surveillance System in Afghanistan	2006-2007	(54)	—	—	—	—	(8)	—	—	(8)	47	1
	2004-2005	332	59	1	—	60	433	13	—	446	—	(54)
EEC Trust Fund for the Rehabilitation of Hammams in Selected Cities of Afghanistan through the Recovery and Employment Programme (REAP)	2006-2007	22	514	2	—	516	—	—	—	—	—	538
	2004-2005	1 737	411	15	—	426	2 079	62	—	2 141	—	22
EEC Law and Order Trust Fund for Afghanistan (LOTFA)	2006-2007	559	—	40	—	40	—	—	—	—	—	599
	2004-2005	14 171	4 111	560	—	4 671	17 750	533	—	18 283	—	559
UNDP Trust Fund for Support to the 2004 Elections in Indonesia	2006-2007	802	—	—	—	—	1 186	41	—	1 227	—	(425)
	2004-2005	5 655	21 006	—	—	21 006	25 111	748	—	25 859	—	802
EEC Trust Fund for Support to Development Posts for the Government of East Timor	2006-2007	257	499	3	—	502	669	42	—	711	—	48
	2004-2005	1 600	776	61	—	837	2 059	121	—	2 180	—	257

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
Law and Order Trust Fund for Afghanistan (LOFTA II)	2006-2007	1 516	—	—	—	—	106	3	—	109	—	1 407
	2004-2005	—	63 072	3	—	63 075	59 766	1 793	—	61 559	—	1 516
Voter registration project in Afghanistan	2006-2007	1 955	—	3	—	3	1 190	—	—	1 190	—	768
	2004-2005	—	4 725	3	—	4 728	2 692	81	—	2 773	—	1 955
Support to elections in Afghanistan	2006-2007	20	—	—	—	—	19	—	—	19	—	1
	2004-2005	—	10 828	—	—	10 828	10 493	315	—	10 808	—	20
Building Information Management Capacity in Afghanistan	2006-2007	1 029	319	—	—	319	1 262	35	—	1 297	—	51
	2004-2005	—	2 670	2	—	2 672	1 596	47	—	1 643	—	1 029
Support to voter registration in Afghanistan	2006-2007	397	—	1	—	1	—	—	—	—	—	398
	2004-2005	—	9 674	—	—	9 674	9 036	241	—	9 277	—	397
UN Humanitarian Response Programme — Khagrachari Hill District Chittagong Hill Tracts — Bangladesh	2006-2007	3	—	—	—	—	—	—	—	—	(4)	(1)
	2004-2005	—	759	—	—	759	707	49	—	756	—	3
EU-India Disaster Preparedness Programme	2006-2007	3 924	3 257	—	—	3 257	5 939	414	—	6 353	—	828
	2004-2005	—	6 314	7	—	6 321	2 209	188	—	2 397	—	3 924
Pilot community-based disaster risk reduction in North Eastern Mountain areas — India	2006-2007	81	59	—	—	59	2	—	—	2	—	138
	2004-2005	—	221	—	—	221	129	11	—	140	—	81
Rehabilitation and Community Development in Rural Areas of East Timor	2006-2007	1 457	11 077	13	—	11 090	11 623	913	—	12 536	—	11
	2004-2005	—	4 342	—	—	4 342	2 739	146	—	2 885	—	1 457
Enhancing truth and reconciliation in East Timor: Support to CAVR	2006-2007	—	—	—	—	—	—	—	—	—	—	—
	2004-2005	—	85	—	—	85	80	5	—	85	—	—
Supporting and rehabilitating internally displaced persons (IDPs) and communities in Southern Philippines	2006-2007	168	732	—	—	732	707	22	—	729	(164)	7
	2004-2005	—	2 914	—	—	2 914	2 666	80	—	2 746	—	168
EEC Trust Fund for Chittagong Hill Tracts Development Facility in Bangladesh	2006-2007	1 775	4 105	—	—	4 105	5 511	330	—	5 841	—	39
	2004-2005	—	4 678	3	—	4 681	2 794	112	—	2 906	—	1 775

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	Year	Fund balances as at 1 January[a]	Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total	Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
EEC/EU Trust Fund for China Biodiversity Programme	2006-2007	10 516	—	1	—	1	2 323	100	—	2 423	—	8 094
	2004-2005	—	10 498	18	—	10 516	—	—	—	—	—	10 516
EEC Trust Fund for Strengthening Democratic and Decentralized Local Governance in Cambodia	2006-2007	1 260	2 553	(1)	—	2 552	3 084	216	—	3 300	—	512
	2004-2005	—	1 258	2	—	1 260	—	—	—	—	—	1 260
EEC Trust Fund for Assistance to UNDP Support for Minefield Technical Survey in Sri Lanka	2006-2007	—	1 088	—	—	1 088	70	76	—	146	—	942
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support to the Khmer Rouge Tribunal (KRT) — Cambodia	2006-2007	—	718	—	—	718	674	47	—	721	—	(3)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
UNDP Counter-Narcotics Trust Fund for the Islamic Republic of Afghanistan	2006-2007	1 973	41 213	2 444	—	43 657	2 697	83	—	2 780	(355)	42 495
	2004-2005	—	1 929	44	—	1 973	—	—	—	—	—	1 973
EEC — Afghanistan Trust Fund for Access to Justice at District Level (AJDL)	2006-2007	549	—	—	—	—	486	24	—	510	—	39
	2004-2005	—	548	1	—	549	—	—	—	—	—	549
EEC — Support for the Establishment of an Afghan Legislature	2006-2007	1 375	—	16	—	16	1 318	65	—	1 383	—	8
	2004-2005	—	2 895	4	—	2 899	1 461	63	—	1 524	—	1 375
EEC — Afghanistan National Assembly Elections Project, phase II	2006-2007	(8 003)	2 507	—	—	2 507	(5 311)	(185)	—	(5 496)	—	—
	2004-2005	—	8 203	—	—	8 203	15 734	472	—	16 206	—	(8 003)
EEC — Law and Order Trust Fund for Afghanistan, phase III (LOTFA)	2006-2007	11 912	—	2	—	2	11 519	346	—	11 865	—	49
	2004-2005	—	35 949	21	—	35 970	23 357	701	—	24 058	—	11 912
EEC — Counter-Narcotics Trust Fund in Afghanistan (CNTF)	2006-2007	14 143	—	2	—	2	5 161	159	—	5 320	—	8 825
	2004-2005	—	14 118	25	—	14 143	—	—	—	—	—	14 143

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	Year	Fund balances as at 1 January[a]	Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total	Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
ECHO Trust Fund for Community-based Support to Rehabilitate Livelihoods of Tsunami Survivors and Safety of Fishing Communities, India	2006-2007	402	90	—	—	90	440	36	—	476	—	16
	2004-2005	—	486	1	—	487	81	4	—	85	—	402
Belgium Trust Fund for National Area-based Development Programme in Afghanistan — Project Co-financing	2006-2007	5 076	9 740	1	—	9 741	8 195	317	—	8 512	—	6 305
	2004-2005	—	5 929	9	—	5 938	851	11	—	862	—	5 076
EEC Trust Fund for Support to the Suco Elections in Timor-Leste 2004/2005	2006-2007	4	79	—	—	79	4	—	—	4	(79)	—
	2004-2005	—	331	—	—	331	312	15	—	327	—	4
EEC Trust Fund for Strengthening the Capacity of the National Assembly and Supporting Lao PDR in the International Criminal Court	2006-2007	94	—	—	—	—	308	24	—	332	408	170
	2004-2005	—	502	—	—	502	383	25	—	408	—	94
EEC Trust Fund for Emergency Response and Recovery for the Tsunami-affected people of Maldives	2006-2007	757	262	—	—	262	915	101	—	1 016	—	3
	2004-2005	—	1 057	1	—	1 058	281	20	—	301	—	757
EEC Trust Fund for Post-Tsunami Community-led Reconstruction and Rehabilitation in Maldives	2006-2007	527	246	—	—	246	772	—	—	772	—	1
	2004-2005	—	878	1	—	879	352	—	—	352	—	527
EEC — Assistance to UNDP Mine Action Support in Sri Lanka	2006-2007	1 528	548	—	—	548	1 845	114	—	1 959	—	117
	2004-2005	—	1 785	3	—	1 788	231	29	—	260	—	1 528
EEC — Quick Recovery Project in North-east Sri Lanka	2006-2007	(175)	437	—	—	437	225	31	—	256	—	6
	2004-2005	—	1 935	2	—	1 937	1 985	127	—	2 112	—	(175)
EEC Trust Fund for Livelihood Development in the North and East, Sri Lanka	2006-2007	2 166	3 931	—	—	3 931	3 964	295	—	4 259	—	1 838
	2004-2005	—	2 264	4	—	2 268	65	37	—	102	—	2 166

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	*Year*	*Fund balances as at 1 January*[a]	*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*	*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
EEC Trust Fund for Support to the Restoration of Tsunami-affected Livelihoods — Maldives	2006-2007	—	1 872	(1)	—	1 871	1 553	131	—	1 684	—	187
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Further Support to Elections in Afghanistan	2006-2007	(9 312)	13 100	—	—	13 100	—	—	—	—	—	3 788
	2004-2005	—	—	—	—	—	9 041	271	—	9 312	—	(9 312)
ECHO Trust Fund for Disaster Risk Reduction at the National Level in Nepal	2006-2007	—	263	—	—	263	245	18	—	263	—	—
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Community-based Livelihoods Recovery Programme for Earthquake-affected Areas of AJK and NWFP	2006-2007	—	7 385	30	—	7 415	4 933	—	—	4 933	—	2 482
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support to the Aceh Local Elections (ALES) Project	2006-2007	—	861	—	—	861	785	55	—	840	—	21
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Indonesia — Support to Justice and Development to Aceh	2006-2007	—	1 312	—	—	1 312	723	97	—	820	—	492
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Bangladesh — Support to Bangladesh Disaster Preparedness	2006-2007	—	2 402	—	—	2 402	1 115	5	—	1 120	—	1 282
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Cambodia — European Fund for Micro-Projects in Selected Areas in the North-Western Provinces of Cambodia (EFMP)	2006-2007	—	1 852	—	—	1 852	572	40	—	612	—	1 240
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Afghanistan — Law and Order, phase 4 (LOFTA 4)	2006-2007	—	31 621	—	—	31 621	30 686	935	—	31 621	—	—
	2004-2005	—	—	—	—	—	—	—	—	—	—	—

Name of Trust Fund	Year	Income					Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
		Fund balances as at 1 January[b]	Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
EEC Trust Fund for Laos — Enhancing the Contribution of International Law to the Strengthening of the Rule of Law in the Lao PDR	2006-2007	—	119	—	—	119	84	8	—	92	—	27
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Laos — Saravane Governance, Public Administration Reform and Decentralized Service Delivery Project	2006-2007	—	152	—	—	152	72	10	—	82	—	70
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Viet Nam — Strengthening the Capacities of the National Assembly and Selected Provincial People's Council in Examination, Decision and Oversight of State Budget	2006-2007	—	184	—	—	184	160	11	—	171	186	199
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Bridging Public Information Gap for the Office of the Presidential Spokesperson	2006-2007	—	322	—	—	322	352	19	—	371	—	(49)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Capacity-Strengthening Component of Rural Employment Opportunities for Public Assets	2006-2007	—	463	—	—	463	361	32	—	393	—	70
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Building Resilience of Communities to Recurrent Natural Hazards, in particular Flash Floods in the Upland Areas of Viet Nam	2006-2007	—	430	—	—	430	179	—	—	179	—	251
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC/Afghanistan Trust Fund for Access to Justice at District Level (AJDL)	2006-2007	—	2 992	—	—	2 992	1 221	64	—	1 285	—	1 707
	2004-2005	—	—	—	—	—	—	—	—	—	—	—

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	*Year*	*Fund balances as at 1 January*[a]	*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*	*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
EEC Trust Fund for Anti-Personnel Mine and Ammunition Stockpile Destruction	2006-2007	—	6 400	—	—	6 400	2 948	—	—	2 948	—	3 452
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support to the Implementation of the Hyogo Framework of Action through Mainstreaming of DDR into Development Planning and Implementation	2006-2007	—	277	—	—	277	161	—	—	161	—	116
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Disaster Preparedness and Response Capacity-building in Afghanistan	2006-2007	—	380	—	—	380	162	16	—	178	—	202
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Governance for Equitable Development (GED): Strengthening Rule of Law and Civil Society Participation in China	2006-2007	—	2 111	—	—	2 111	—	—	—	—	—	2 111
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Mainstreaming Disaster Risk Management in Sub-National/Local Development and Land Use Planning in the Philippines	2006-2007	—	492	1	—	493	87	34	—	121	—	372
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support to the National Elections in Pakistan	2006-2007	—	1 057	—	—	1 057	815	74	—	889	—	168
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support to the Aceh Reintegration Agency (BRA) and Peacebuilding in Aceh	2006-2007	—	1 388	—	—	1 388	130	97	—	227	—	1 161
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund to Support Work for Peace Project in Timor-Leste	2006-2007	—	2 480	30	—	2 510	2 810	81	—	2 891	—	(381)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	Year	Fund balances as at 1 January[a]	Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total	Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
EEC Trust Fund for Preparation of Electoral Roll with Photographs	2006-2007	—	18 842	—	—	18 842	—	—	—	—	—	18 842
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund to Support the Justice System — Activating Village Courts in Bangladesh	2006-2007	—	3 416	—	—	3 416	—	—	—	—	—	3 416
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Local Government Support Project-Learning and Innovation Component	2006-2007	—	—	—	—	—	—	109	—	109	—	(109)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Supplemental Trust Fund for Law and Order in Afghanistan	2006-2007	—	49 041	—	—	49 041	—	—	—	—	—	49 041
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Promotion of Development and Confidence-Building in Chittagong Hill Tracts	2006-2007	—	7 982	—	—	7 982	7 261	544	—	7 805	—	177
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support to the Timorese Electoral Cycle	2006-2007	—	1 351	—	—	1 351	1 363	97	—	1 460	—	(109)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
Total Fund Manager: UNDP Asia/Pacific	**2006-2007**	**63 844**	**454 960**	**5 672**	**217**	**460 849**	**284 482**	**10 953**	**(59)**	**295 376**	**(2 727)**	**226 590**
	2004-2005	**55 393**	**277 883**	**1 532**	**2 276**	**281 691**	**261 071**	**8 312**	**3 441**	**272 824**	**(416)**	**63 844**
Fund Manager: UNDP Europe and CIS												
UNDP Trust Fund for the Baltic Republics	2006-2007	335	—	17	—	17	—	—	—	—	(348)	4
	2004-2005	320	—	15	—	15	—	—	—	—	—	335
UNDP Trust Fund for Peace and Development in Tajikistan	2006-2007	132	—	6	—	6	119	2	—	121	—	17
	2004-2005	126	—	6	—	6	—	—	—	—	—	132
UNDP/Switzerland Trust Fund for Aid Management and Aid Coordination in Kyrgyzstan	2006-2007	14	—	1	—	1	—	—	—	—	—	15
	2004-2005	101	—	1	—	1	84	4	—	88	—	14

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
Trust Fund in Support of the Strengthening of the Ministry of Foreign Affairs in Kyrgyzstan	2006-2007	36	—	—	—	—	—	—	—	—	(35)	1
	2004-2005	34	—	2	—	2	—	—	—	—	—	36
UNDP Trust Fund for Urgent Human Needs in Uzbekistan	2006-2007	21	—	2	—	2	—	—	—	—	—	23
	2004-2005	20	—	1	—	1	—	—	—	—	—	21
UNDP/Physicians for Human Rights (NGO) Trust Fund for Humanitarian Assistance Activities in the Former Yugoslavia	2006-2007	88	—	9	—	9	—	—	—	—	—	97
	2004-2005	84	—	4	—	4	—	—	—	—	—	88
UNDP Sakha Republic (Yakutia) Trust Fund for the Programme of Assistance to the Northern Indigenous Peoples of the Sakha Republic	2006-2007	26	—	3	—	3	—	—	—	—	—	29
	2004-2005	25	—	1	—	1	—	—	—	—	—	26
EEC Trust Fund for Mitigation of Consequences brought about by Hurricane Charley in Cuba	2006-2007	2	153	—	—	153	—	—	—	—	—	155
	2004-2005	—	743	—	—	743	693	48	—	741	—	2
EEC Trust Fund for Enhancement of Living Standards in Karakalpakstan — Republic of Uzbekistan	2006-2007	89	695	—	—	695	757	53	—	810	27	1
	2004-2005	—	537	—	—	537	419	29	—	448	—	89
EEC — Tajikistan Trust Fund for Emergency Rehabilitation of Rural Water Supply Systems, Sanitation Facilities and Hygiene Promotion through Schools in Kathlon Region	2006-2007	260	69	—	—	69	—	—	—	—	—	329
	2004-2005	—	260	—	—	260	—	—	—	—	—	260
UNDP Trust Fund for Mine Clearance in Bosnia and Herzegovina	2006-2007	7	—	—	—	—	—	—	—	—	(7)	—
	2004-2005	54	—	2	6	8	—	—	—	—	(55)	7
EEC Trust Fund for Enhancing Border Control Management in Moldova	2006-2007	(243)	—	—	—	—	—	—	—	—	—	(243)
	2004-2005	—	2 208	—	—	2 208	2 291	160	—	2 451	—	(243)

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	*Year*	*Fund balances as at 1 January*[a]	*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*	*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
EEC Trust Fund for Capacity Development of the Ministry of Justice in Georgia	2006-2007	(319)	—	—	—	—	—	—	—	—	—	(319)
	2004-2005	—	2 195	—	—	2 195	2 350	164	—	2 514	—	(319)
EEC Trust Fund for UNDP/Stability Pact for South-Eastern Europe Clearing-house for the Control of Small Arms and Light Weapons	2006-2007	(63)	63	—	—	63	—	—	—	—	—	—
	2004-2005	—	349	—	—	349	385	27	—	412	—	(63)
UNDP/EEC Trust Fund for the Project "Promotion of social integration in Latvia: language training programme"	2006-2007	—	—	—	—	—	(1)	—	—	(1)	—	1
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
UNDP/Belgium Trust Fund for Rehabilitation and Sustainable Development of Eastern Slavonia	2006-2007	73	(138)	—	—	(138)	—	—	—	—	—	(65)
	2004-2005	(65)	138	—	—	138	—	—	—	—	—	73
EEC Trust Fund for Strengthening Effectiveness and Transparency of the Parliament of Georgia	2006-2007	(128)	—	—	—	—	—	—	—	—	—	(128)
	2004-2005	—	594	—	—	594	675	47	—	722	—	(128)
Trust Fund in Support of Estonia's State Programme for Integration of Non-Estonians into Estonian Society	2006-2007	36	—	4	—	4	—	—	—	—	—	40
	2004-2005	34	—	2	—	2	—	—	—	—	—	36
European Commission Village Employment and Rehabilitation Programme (VERP)	2006-2007	27	—	3	—	3	—	—	—	—	—	30
	2004-2005	26	—	1	—	1	—	—	—	—	—	27
EEC Trust Fund for Border Management in Central Asia (BOMCA 3)	2006-2007	17	—	—	—	—	(39)	(3)	—	(42)	—	59
	2004-2005	—	833	—	—	833	761	55	—	816	—	17
UNDP Trust Fund for Support to Semipalatinski Programme	2006-2007	6	—	—	—	—	1	—	—	1	—	5
	2004-2005	435	—	3	—	3	416	16	—	432	—	6

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
EEC/Estonian Trust Fund to Support the Implementation of the Estonian Language Training Programme	2006-2007	—	—	—	—	—	—	—	—	—	—	—
	2004-2005	(1)	—	—	—	—	—	—	—	—	1	—
Norway Trust Fund for Municipal Employment Assistance Programme in the former Yugoslav Republic of Macedonia	2006-2007	13	—	1	—	1	—	—	—	—	—	14
	2004-2005	25	—	1	—	1	13	—	—	13	—	13
Norway Trust Fund for Rehabilitation and Sustainable Development of Infrastructure in War-torn Areas of Croatia	2006-2007	1	—	—	—	—	—	—	—	—	(1)	—
	2004-2005	18	—	—	—	—	—	—	—	—	(17)	1
UNDP Trust Fund for Support to the Baltic Countries	2006-2007	108	—	11	—	11	—	—	—	—	—	119
	2004-2005	147	—	6	—	6	44	1	—	45	—	108
EEC Trust Fund for the Return of Displaced Persons to the War-torn Areas of Croatia	2006-2007	(15)	—	—	—	—	—	—	—	—	—	(15)
	2004-2005	(15)	—	—	—	—	—	—	—	—	—	(15)
UNDP/ECHO Trust Fund Agreement for Comprehensive Shelter and Sanitation in the Earthquake-affected Areas in Turkey	2006-2007	249	—	25	—	25	—	—	—	—	—	274
	2004-2005	237	—	12	—	12	—	—	—	—	—	249
UNDP Mine Action Trust Fund for Croatia	2006-2007	194	—	17	—	17	192	10	—	202	—	9
	2004-2005	200	—	9	—	9	15	—	—	15	—	194
UNDP/ECHO Trust Fund for Strengthening of Coping Capacities of Populations Affected by Maramara Earthquake	2006-2007	6	—	1	—	1	—	—	—	—	—	7
	2004-2005	6	—	—	—	—	—	—	—	—	—	6
Norway Trust Fund for Support to Human Development and Governance at the Local Level in Kosovo	2006-2007	30	—	3	—	3	—	—	—	—	—	33
	2004-2005	29	—	1	—	1	—	—	—	—	—	30

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	Year	Fund balances as at 1 January[a]	Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total	Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
EEC Trust Fund for Croatia Programme for the Return of Displaced Persons and Refugees to Eastern Slavonia and Banovina	2006-2007	(110)	—	—	—	—	—	—	—	—	—	(110)
	2004-2005	(110)	—	—	—	—	—	—	—	—	—	(110)
Trust Fund for Providing Support to the Development Assistance Facility (DAF) of the Czech Republic for Strengthening Cooperation with Developing Countries	2006-2007	33	—	1	—	1	—	—	—	—	(34)	—
	2004-2005	59	—	2	—	2	28	—	—	28	—	33
Norway Trust Fund for Assistance to Mine Action Programme of Bosnia and Herzegovina	2006-2007	14	—	2	—	2	—	—	—	—	—	16
	2004-2005	13	—	1	—	1	—	—	—	—	—	14
EEC Trust Fund for Integration Reform Programme for Central Bosnia Canton	2006-2007	53	—	5	—	5	—	—	—	—	—	58
	2004-2005	173	—	7	—	7	—	—	—	—	(127)	53
EEC Trust Fund for the South Caucasus Anti-Drug Programme	2006-2007	(21)	—	—	—	—	—	—	—	—	—	(21)
	2004-2005	(21)	—	—	—	—	—	—	—	—	—	(21)
Germany Trust Fund for Support to the Mine Action Programme of Bosnia and Herzegovina	2006-2007	9	—	1	—	1	—	—	—	—	—	10
	2004-2005	9	—	—	—	—	—	—	—	—	—	9
EEC Trust Fund for the Rehabilitation of the Nicosia, Omariye and Selimye Areas	2006-2007	(143)	—	—	—	—	(175)	—	—	(175)	(34)	(2)
	2004-2005	(1 074)	1 160	—	—	1 160	229	—	—	229	—	(143)
UNDP Trust Fund for Support to Mine Action in Bosnia and Herzegovina	2006-2007	143	1 833	78	—	1 911	886	31	—	917	—	1 137
	2004-2005	(226)	2 030	16	—	2 046	1 618	56	—	1 674	(3)	143
ECHO/Armenia Trust Fund for Emergency Assistance to Drought-affected Farmers for Recovery and Sustainable Potato and Barley Production	2006-2007	8	—	1	—	1	—	—	—	—	—	9
	2004-2005	8	—	—	—	—	—	—	—	—	—	8

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
Sweden Trust Fund for Strengthening Cooperation among Civil Society Organizations to Support Sustainable Human Development in Belarus	2006-2007	2	—	—	—	—	—	—	—	—	(2)	—
	2004-2005	(47)	107	—	—	107	51	7	—	58	—	2
EEC/UNDP Grant Agreement for External Aid — Bosnia and Herzegovina	2006-2007	—	—	—	—	—	—	—	—	—	—	—
	2004-2005	(22)	—	—	—	—	—	—	—	—	22	—
EEC Trust Fund for Local Economic Rehabilitation in the War-affected and other most Disadvantaged Regions in Croatia	2006-2007	(126)	—	—	—	—	—	—	—	—	—	(126)
	2004-2005	(319)	193	—	—	193	—	—	—	—	—	(126)
EEC Trust Fund for the Rapid Employment Program in South Serbia	2006-2007	(281)	86	—	—	86	—	—	—	—	—	(195)
	2004-2005	(755)	474	—	—	474	—	—	—	—	—	(281)
EEC Trust Fund for Southern Caucasus Anti-Drug Programme — Phase II (SCAD II)	2006-2007	(26)	—	—	—	—	—	—	—	—	—	(26)
	2004-2005	(26)	—	—	—	—	(28)	—	—	(28)	(28)	(26)
EEC Trust Fund for Strengthening Border Management on the Belarussian-Ukrainian Border	2006-2007	50	—	5	—	5	—	—	—	—	—	55
	2004-2005	48	—	2	—	2	—	—	—	—	—	50
EEC Trust Fund for Partnership for the Future — Phase 2, Rehabilitation of Phaneromeni and Samanbahce Areas in Cyprus	2006-2007	205	—	—	—	—	—	—	—	—	(205)	—
	2004-2005	(550)	1 683	—	—	1 683	928	—	—	928	—	205
Belgium Trust Fund for Support to the Project "Reintegration of ex-combatants in Tajikistan"	2006-2007	2	—	—	—	—	—	—	—	—	—	2
	2004-2005	2	—	—	—	—	—	—	—	—	—	2

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	Year	Fund balances as at 1 January[a]	Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total	Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
EEC Trust Fund for Azerbaijan Landmine Impact Survey	2006-2007	(167)	—	(11)	—	(11)	—	—	—	—	—	(178)
	2004-2005	(236)	69	—	—	69	—	—	—	—	—	(167)
EEC Trust Fund for the National Drug Information Network (NADIN) in Central Asia	2006-2007	(157)	—	—	—	—	—	—	—	—	—	(157)
	2004-2005	344	359	1	—	360	629	2	—	631	(230)	(157)
EEC Trust Fund for Small and Medium Enterprise Development in the GAP Region — Turkey	2006-2007	394	6 647	—	—	6 647	6 149	134	—	6 283	365	1 123
	2004-2005	754	2 253	—	—	2 253	2 487	126	—	2 613	—	394
EEC Trust Fund for the Integrated Return Programme for Central Bosnia (Phase IV)	2006-2007	1	—	—	—	—	—	—	—	—	(1)	—
	2004-2005	(279)	175	—	—	175	—	—	—	—	105	1
EEC Trust Fund for the Small Arms and Light Weapons Control Project in Albania	2006-2007	11	—	1	—	1	—	—	—	—	—	12
	2004-2005	10	—	1	—	1	—	—	—	—	—	11
EEC (ECHO) Trust Fund for Emergency Rehabilitation of Rural Water Supply Systems in Khatlon and Sughd Regions of Tajikistan	2006-2007	(91)	138	—	—	138	—	—	—	—	—	47
	2004-2005	(138)	47	—	—	47	—	—	—	—	—	(91)
EEC/Croatia Trust Fund for Income Generation and SME Support — Quick Impact Facility (QIF)	2006-2007	(1 493)	104	69	—	173	(2 573)	(64)	—	(2 637)	(1 248)	69
	2004-2005	257	922	5	—	927	2 637	40	—	2 677	—	(1 493)
EEC Trust Fund for Combating Trafficking in Women in the Republic of Belarus	2006-2007	(137)	—	—	—	—	(19)	—	—	(19)	—	(118)
	2004-2005	302	366	1	—	367	768	38	—	806	—	(137)
EEC Trust Fund for Partnership for the Future — Small Project Funds in Cyprus	2006-2007	(331)	—	—	—	—	(92)	—	—	(92)	—	(239)
	2004-2005	217	409	1	—	410	958	—	—	958	—	(331)

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	*Year*	*Fund balances as at 1 January*[a]	*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*	*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
EEC Trust Fund for Business Support Project 2002 — Cyprus	2006-2007	(169)	—	—	—	—	(62)	—	—	(62)	—	(107)
	2004-2005	483	727	3	—	730	1 382	—	—	1 382	—	(169)
EEC Trust Fund for Partnership for the Future — Rehabilitation of Nicosia — Phase 3	2006-2007	(521)	412	—	—	412	(45)	(3)	—	(48)	37	(24)
	2004-2005	526	—	3	—	3	1 050	—	—	1 050	—	(521)
EEC Trust Fund for Drug Control Multisectoral Assistance and Institution Building in Ukraine, Moldova and Belarus (BUMAD I)	2006-2007	(42)	—	—	—	—	—	—	—	—	—	(42)
	2004-2005	758	686	5	—	691	1 434	57	—	1 491	—	(42)
EEC Trust Fund for Border Management for Central Asia (BOMCA), programme development mission	2006-2007	57	—	—	—	—	—	—	—	—	(28)	29
	2004-2005	60	—	2	—	2	5	—	—	5	—	57
EEC Trust Fund for Border Management for Central Asia Programme (BOMCA), first phase management training	2006-2007	67	—	—	—	—	—	—	—	—	—	67
	2004-2005	76	—	3	—	3	11	1	—	12	—	67
EEC Trust Fund for Albanian Mine Action Programme (AMAP) — technical survey project	2006-2007	232	91	3	—	94	298	—	—	298	—	28
	2004-2005	1 413	736	25	—	761	1 925	17	—	1 942	—	232
EEC Trust Fund for Municipal Improvement and Revival Programme (MIR) Serbia and Montenegro	2006-2007	(1 286)	1 342	275	—	1 617	—	—	—	—	(57)	274
	2004-2005	2 729	3 149	126	—	3 275	7 128	162	—	7 290	—	(1 286)
EEC Trust Fund for Civil Society Inclusion in Poverty Reduction Strategy Papers (PRSP) — Serbia and Montenegro	2006-2007	(59)	103	38	—	141	—	—	—	—	—	82
	2004-2005	364	553	17	—	570	974	19	—	993	—	(59)

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	*Year*	*Fund balances as at 1 January*[a]	*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*	*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
EEC Trust Fund for Emergency Rehabilitation of Rural Water Supply Systems in Khatlon and Sughd Regions of Tajikistan	2006-2007	103	76	1	—	77	77	5	—	82	—	98
	2004-2005	390	—	19	—	19	289	17	—	306	—	103
EEC (ECHO) Trust Fund for Humanitarian Aid Action to Enhance Staff Safety and Security of the UN and Humanitarian Agencies operating in the North Caucasus, Russia	2006-2007	15	—	24	—	24	—	—	—	—	—	39
	2004-2005	235	130	11	—	141	337	24	—	361	—	15
EEC Trust Fund for the Caspian Centre for Water Level Fluctuations (PROJECT I) and Caspian Environment Programme Coordination Unit (PROJECT II)	2006-2007	3	—	—	—	—	—	—	—	—	—	3
	2004-2005	3	—	—	—	—	—	—	—	—	—	3
EEC Trust Fund for South Caucasus Anti-drug Programme — Phase III	2006-2007	(104)	7	—	—	7	(79)	—	—	(79)	(86)	(104)
	2004-2005	484	—	—	—	—	588	—	—	588	—	(104)
EEC/Bosnia Trust Fund for the Return of Refugees and displaced persons through an Increased Involvement of Domestic Authorities	2006-2007	(337)	—	—	—	—	—	—	—	—	(14)	(351)
	2004-2005	1 508	531	14	—	545	2 276	114	—	2 390	—	(337)
EEC Trust Fund for Stability Pact/UNDP Regional Clearing-house on Small Arms and Light Weapons (SEE/SALW)	2006-2007	1	—	—	—	—	—	—	—	—	—	1
	2004-2005	(27)	33	—	—	33	5	—	—	5	—	1
Enhance the safety and security of UN and humanitarian aid agencies in the Northern Caucasus	2006-2007	68	—	—	—	—	20	1	—	21	(37)	10
	2004-2005	—	348	—	—	348	262	18	—	280	—	68

			Income				Expenditure					
		Fund balances as at 1 January[a]	Trust funds				Trust funds				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
Name of Trust Fund	Year		Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
CARDS Programme — Albania support for trade regulation and trade promotion	2006-2007	1 062	—	—	—	—	1 009	51	—	1 060	—	2
	2004-2005	—	2 267	3	—	2 270	1 140	68	—	1 208	—	1 062
Albania — Implementation of Government electronic network	2006-2007	1	—	—	—	—	(4)	—	—	(4)	—	5
	2004-2005	—	176	—	—	176	167	8	—	175	—	1
Armenia demining programme	2006-2007	747	—	—	—	—	275	19	—	294	—	453
	2004-2005	—	1 383	1	—	1 384	596	41	—	637	—	747
Capacity support to Azerbaijan National Agency for Mine Action (ANAMA)	2006-2007	(228)	308	(1)	—	307	—	81	—	81	—	(2)
	2004-2005	—	1 348	—	—	1 348	1 509	67	—	1 576	—	(228)
Sustainable transfer to return-related authorities (SUTRA) — Phase II: Governance Support Programme, Bosnia	2006-2007	(77)	2 316	—	—	2 316	2 209	109	—	2 318	—	(79)
	2004-2005	—	2 430	—	—	2 430	2 389	118	—	2 507	—	(77)
Infrastructure and rehabilitation project for the main cities in northern Cyprus	2006-2007	(2 588)	4 347	—	—	4 347	1 801	142	—	1 943	205	21
	2004-2005	—	2 948	—	—	2 948	5 536	—	—	5 536	—	(2 588)
Business support project, Phase II — Cyprus	2006-2007	294	787	—	—	787	1 009	54	—	1 063	(5)	13
	2004-2005	—	794	1	—	795	445	56	—	501	—	294
Private-sector development in northern Cyprus	2006-2007	498	1 472	—	—	1 472	1 900	103	—	2 003	—	(33)
	2004-2005	—	997	1	—	998	430	70	—	500	—	498
PFF: Landmine and ordnance clearance in Cyprus	2006-2007	(552)	68	5	—	73	(556)	—	—	(556)	(77)	—
	2004-2005	—	2 791	1	—	2 792	3 344	—	—	3 344	—	(552)
Southern Caucasus anti-drug programme — Phase IV (SCAD-IV)	2006-2007	435	217	—	—	217	541	41	—	582	—	70
	2004-2005	—	2 264	—	—	2 264	1 723	106	—	1 829	—	435
Georgia 2004 elections	2006-2007	115	—	—	—	—	—	—	—	—	—	115
	2004-2005	—	2 247	—	—	2 247	2 030	102	—	2 132	—	115
Support for the document management system at the Kosovo Assembly	2006-2007	(15)	—	—	—	—	—	—	—	—	—	(15)
	2004-2005	—	212	—	—	212	224	3	—	227	—	(15)

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	*Year*	*Fund balances as at 1 January*[a]	*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*	*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
Central Asia drug action programme — second phase (CADAP-2)	2006-2007	3 086	230	—	—	230	3 166	228	—	3 394	—	(78)
	2004-2005	—	4 756	5	—	4 761	1 563	112	—	1 675	—	3 086
Border Management in Central Asia IV (BOMCA 4)	2006-2007	(177)	789	—	—	789	528	(18)	—	510	—	102
	2004-2005	—	2 830	—	—	2 830	2 584	423	—	3 007	—	(177)
Rehabilitation of Nicosia — Phase IV — Restoration of the Venetian tower in Pyla	2006-2007	(688)	1 529	—	—	1 529	837	—	—	837	(3)	1
	2004-2005	—	943	—	—	943	1 630	1	—	1 631	—	(688)
EEC/EAR for continuation of UNDP programme of institutional support to the auction centre of the privatization agency	2006-2007	13	29	—	—	29	40	2	—	42	—	—
	2004-2005	—	449	49	—	498	472	13	—	485	—	13
UNDP/Stability Pact — South Eastern Europe Clearing house for the Control of Small Arms and Light Weapons (SEESAC)	2006-2007	2	—	—	—	—	—	—	—	—	—	2
	2004-2005	—	358	—	—	358	356	—	—	356	—	2
UN Emergency Disaster Management Coordination project in Tajikistan	2006-2007	—	—	—	—	—	—	—	—	—	—	—
	2004-2005	—	61	—	—	61	57	4	—	61	—	—
Reform of Arbitration Courts and Support to Court Administration	2006-2007	224	—	—	—	—	—	(15)	—	(15)	(267)	(28)
	2004-2005	—	2 473	—	—	2 473	2 088	161	—	2 249	—	224
Drug Control Multisectoral Assistance and Institution Building in Ukraine, Moldova and Belarus (BUMAD 2)	2006-2007	1 099	—	—	—	—	1 223	85	—	1 308	—	(209)
	2004-2005	—	2 762	8	—	2 770	1 566	105	—	1 671	—	1 099
Feasibility Studies for Economic Development Projects	2006-2007	62	205	—	—	205	718	48	—	766	492	(7)
	2004-2005	—	516	—	—	516	418	36	—	454	—	62

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
EEC Trust Fund — Appui à l'organisation de la Table Ronde des bailleurs de fonds de Sao Tome et Principe 2005	2006-2007	4	13	—	—	13	2	—	—	2	—	15
	2004-2005	—	47	—	—	47	43	—	—	43	—	4
EEC Trust Fund for Border Management Programme for Central Asia, Phase 5	2006-2007	3 318	1 366	1	—	1 367	3 530	245	—	3 775	—	910
	2004-2005	—	3 312	6	—	3 318	—	—	—	—	—	3 318
EEC Trust Fund for Central Asia Drug Action Programme, third phase	2006-2007	2 363	969	—	—	969	3 482	177	—	3 659	—	(327)
	2004-2005	—	2 359	4	—	2 363	—	—	—	—	—	2 363
EEC Trust Fund for Lisbon Strategy and Millennium Development Goals	2006-2007	150	5	—	—	5	138	12	—	150	—	5
	2004-2005	—	150	—	—	150	—	—	—	—	—	150
EEC Trust Fund for Civil Service Training Programme in Bosnia and Herzogovina	2006-2007	943	163	—	—	163	1 002	70	—	1 072	—	34
	2004-2005	—	941	2	—	943	—	—	—	—	—	943
EEC Trust Fund for Rehabilitation Programme for the Georgian/Abkhaz Conflict Zone	2006-2007	823	363	—	—	363	1 045	73	—	1 118	—	68
	2004-2005	—	822	1	—	823	—	—	—	—	—	823
EEC Trust Fund for Bosnia Support to Results-Based Approach — Partnership for Local Development	2006-2007	—	2 441	—	—	2 441	3 247	162	—	3 409	—	(968)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Municipal Improvement and Revival Programme (MIR) in Southern Serbia, Phase II	2006-2007	2 645	4 813	—	—	4 813	4 573	320	—	4 893	—	2 565
	2004-2005	—	2 726	5	—	2 731	80	6	—	86	—	2 645
EEC Trust Fund for Integrated Mine Action Programme in Azerbaijan	2006-2007	943	—	—	—	—	1 106	77	—	1 183	—	(240)
	2004-2005	—	941	2	—	943	—	—	—	—	—	943
EEC Trust Fund for Modernization of the Customs Services of the Republic of Azerbaijan	2006-2007	754	—	—	—	—	927	37	—	964	—	(210)
	2004-2005	—	753	1	—	754	—	—	—	—	—	754

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
EEC Trust Fund for Border Assistance Mission to Moldova and Ukraine	2006-2007	2 316	721	—	—	721	2 792	286	—	3 078	—	(41)
	2004-2005	—	3 743	5	—	3 748	1 423	9	—	1 432	—	2 316
EEC Trust Fund for Kukes Regional Development Initiative (KRDI) in Albania	2006-2007	331	1 295	—	—	1 295	1 797	124	—	1 921	—	(295)
	2004-2005	—	1 570	1	—	1 571	1 210	30	—	1 240	—	331
EEC CARDS Programme for a Mine-impact-free Albania by the End of 2006	2006-2007	2 109	684	—	—	684	2 929	202	—	3 131	—	(338)
	2004-2005	—	2 105	4	—	2 109	—	—	—	—	—	2 109
EEC Trust Fund for Legislation Database Project in Bosnia and Herzegovina	2006-2007	146	—	—	—	—	138	10	—	148	—	(2)
	2004-2005	—	211	—	—	211	61	4	—	65	—	146
EEC Trust Fund for Support in addressing the Social Consequences of Transition in the Ferghana Valley, Kyrgyzstan	2006-2007	819	1 043	—	—	1 043	2 029	142	—	2 171	—	(309)
	2004-2005	—	1 076	1	—	1 077	241	17	—	258	—	819
EEC Trust Fund for Border Management Programme for Central Asia, fourth phase, second allocation	2006-2007	3 303	—	—	—	—	3 547	198	—	3 745	—	(442)
	2004-2005	—	5 425	6	—	5 431	1 989	139	—	2 128	—	3 303
ECHO Trust Fund to enhance the Safety and Security of the UN and Humanitarian Aid Agencies in the North Caucasus, Russia	2006-2007	—	45	—	—	45	42	3	—	45	—	—
	2004-2005	—	244	—	—	244	228	16	—	244	—	—
EEC — Serbia and Montenegro Cross-border Cooperation Support Programme	2006-2007	396	609	—	—	609	768	54	—	822	—	183
	2004-2005	—	462	1	—	463	63	4	—	67	—	396
EEC Trust Fund for Western Balkans SALW Control Support Plan	2006-2007	1 406	243	—	—	243	1 525	107	—	1 632	—	17
	2004-2005	—	1 404	2	—	1 406	—	—	—	—	—	1 406

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds		Sub-trust funds	Total	Trust funds		Sub-trust funds[b]	Total		
			Contributions	Other			Project costs	Other				
EEC Trust Fund for Support in addressing the Social Consequences of Transition in the Ferghana Valley, Tajikistan	2006-2007	(100)	485	—	—	485	370	26	—	396	—	(11)
	2004-2005	—	381	—	—	381	452	29	—	481	—	(100)
EEC — Sustainable Water System Rehabilitation and Management — Tajikistan	2006-2007	272	92	—	—	92	298	23	—	321	—	43
	2004-2005	—	363	1	—	364	88	4	—	92	—	272
EEC Trust Fund for Enhancement of Living Standards in the Ferghana Valley — Republic of Uzbekistan	2006-2007	171	696	—	—	696	844	59	—	903	25	(11)
	2004-2005	—	535	—	—	535	340	24	—	364	—	171
EEC Trust Fund for Enhancing Border Management in the Republic of Belarus (BOMBEL)	2006-2007	2 235	2 320	—	—	2 320	4 192	317	—	4 509	—	46
	2004-2005	—	3 400	—	—	3 400	1 110	55	—	1 165	—	2 235
EEC Trust Fund for Business Support Project II — Ancillary Activities	2006-2007	536	—	—	—	—	510	27	—	537	—	(1)
	2004-2005	—	556	1	—	557	21	—	—	21	—	536
EEC Trust Fund for Support to Local Administration Reform Programme in Turkey	2006-2007	175	2 943	—	—	2 943	2 269	259	—	2 528	(265)	325
	2004-2005	—	357	—	—	357	182	—	—	182	—	175
EEC — Serbia and Montenegro Civil Society Participation in Poverty Reduction Strategy/Social Innovation Fund	2006-2007	458	173	—	—	173	465	33	—	498	—	133
	2004-2005	—	1 896	1	—	1 897	1 345	94	—	1 439	—	458
EEC Trust Fund for HIV/STI Prevention among Uniformed Services in Ukraine	2006-2007	399	1 033	—	—	1 033	1 341	—	—	1 341	—	91
	2004-2005	—	435	1	—	436	7	30	—	37	—	399
EEC Trust Fund for PFF: Landmine and Ordnance Clearance in Cyprus — phase II	2006-2007	1 591	201	5	—	206	1 698	72	—	1 770	118	145
	2004-2005	—	1 588	3	—	1 591	—	—	—	—	—	1 591

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
EEC Trust Fund for Support to Enhanced Living Standards (ELS) Projects in Uzbekistan	2006-2007	—	94	—	—	94	91	6	—	97	2	(1)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Community Safety and Community Policing — Support to Security Sector Reform Programme (SSSR)	2006-2007	—	1 007	—	—	1 007	942	64	—	1 006	—	1
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Inclusion of Civil Society in Poverty-related Policy Process in Serbia and Montenegro	2006-2007	—	1 808	—	—	1 808	1 603	112	—	1 715	—	93
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Enhancing Border Management in Ukraine	2006-2007	—	4 958	—	—	4 958	5 823	283	—	6 106	—	(1 148)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for the Promotion of a Wider Application of International Human Rights Standards in the Administration of Justice in Belarus	2006-2007	—	277	—	—	277	24	2	—	26	—	251
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Feasibility Studies for Economic Development Project II	2006-2007	527	581	—	—	581	1 024	74	—	1 098	(9)	1
	2004-2005	—	556	1	—	557	30	—	—	30	—	527
EEC Trust Fund for Consumer Society and Citizen Networks in Ukraine	2006-2007	—	1 638	—	—	1 638	987	69	—	1 056	—	582
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Enhancing Living Standards (ELS) in Ferghana Region, Uzbekistan, annual programme 2003	2006-2007	—	1 178	—	—	1 178	1 229	86	—	1 315	—	(137)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income: Trust funds: Contributions	Income: Trust funds: Other	Income: Sub-trust funds	Income: Total	Expenditure: Trust funds: Project costs	Expenditure: Trust funds: Other	Expenditure: Sub-trust funds[b]	Expenditure: Total	Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
EEC Trust Fund for Developing a Comprehensive Framework, for Preventing and Combating Discrimination	2006-2007	—	459	—	—	459	437	31	—	468	10	1
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Municipal Environmental Management Capacity and Infrastructure Project in Croatia	2006-2007	—	1 208	3	—	1 211	2 568	64	—	2 632	1 134	(287)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Capacity-building for European Integration	2006-2007	—	4 089	—	—	4 089	2 131	204	—	2 335	—	1 754
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for European Union Border Assistance Mission to Moldova and Ukraine	2006-2007	—	4 627	—	—	4 627	4 733	333	—	5 066	—	(439)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Serbia Municipal Development in South-West Serbia (Sandzak Region)	2006-2007	—	2 594	—	—	2 594	2 720	187	—	2 907	—	(313)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Integration of Sustainable Development into Sectoral Policies	2006-2007	—	2 355	—	—	2 355	1 491	104	—	1 595	—	760
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Bosnia — e-Government at the Council of Ministers of Bosnia and Herzegovina	2006-2007	—	795	—	—	795	248	17	—	265	—	530
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Ukraine — Improvement of Border Controls at the Moldovan-Ukrainian State Border — BOMMOLUK-1	2006-2007	—	2 474	—	—	2 474	3 289	103	—	3 392	—	(918)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
EEC Trust Fund for RBEC — Regional Conference to Promote Corporate Social Responsibility and Multi-stakeholder Partnership for Sustainable Development in Eastern Europe and Western CIS	2006-2007	—	40	—	—	40	37	3	—	40	—	—
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Belarus — Enhancing Border Management in the Republic of Belarus — BOMBEL 2	2006-2007	—	10 802	—	—	10 802	10 172	756	—	10 928	—	(126)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Tajikistan — Sustainable Water System Rehabilitation	2006-2007	—	256	—	—	256	275	19	—	294	—	(38)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Ukraine — EU Border Assistance Mission to Moldova and Ukraine — EUBAM-3	2006-2007	—	2 609	—	—	2 609	2 160	151	—	2 311	(320)	(22)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Ukraine — Support to Economic Reforms in Ukraine through Blue Ribbon Advisory and Analytical Centre	2006-2007	—	1 185	—	—	1 185	921	64	—	985	—	200
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for PFF: Landmine and Ordnance Clearance in Cyprus — phase III	2006-2007	—	1 325	—	—	1 325	1 248	53	—	1 301	(22)	2
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Tajikistan — Social Inclusion through Income Generation in Sughd Region	2006-2007	—	468	—	—	468	473	30	—	503	—	(35)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—

			Income				Expenditure					
		Fund balances as at 1 January[a]	Trust funds				Trust funds				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
Name of Trust Fund	Year		Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
EEC Trust Fund for Yugoslavia — EU Western Balkans SALW Control Support Plan 2007	2006-2007	—	1 556	—	—	1 556	1 655	120	—	1 775	—	(219)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Private Sector Development within the Turkish Cypriot Community	2006-2007	—	1 245	—	—	1 245	1 025	87	—	1 112	—	133
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Upgrading of Local and Urban Infrastructure in Northern Cyprus	2006-2007	—	3 179	—	—	3 179	2 067	189	—	2 256	—	923
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Accelerating CSR Practices in the New EU Member States and Candidate Countries as a Vehicle for Harmonization, Competitiveness and Social Cohesion in the EU	2006-2007	—	795	—	—	795	361	37	—	398	(6)	391
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC/Albania Trust Fund for the Implementation of Government, Electronic Network (GovNet), Phase 2	2006-2007	—	111	—	—	111	26	2	—	28	—	83
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC/Albania Trust Fund for Kukes Regional Development Initiative, Phase 2	2006-2007	—	1 223	—	—	1 223	1 354	95	—	1 449	—	(226)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Kyrgyzstan — Central Asia Drug Action Programme, Phase 4	2006-2007	—	3 575	—	—	3 575	577	37	—	614	—	2 961
	2004-2005	—	—	—	—	—	—	—	—	—	—	—

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds: Contributions	Trust funds: Other	Sub-trust funds	Total	Trust funds: Project costs	Trust funds: Other	Sub-trust funds[b]	Total		
EEC Trust Fund for Russia –– ensure safety and security of the UN and humanitarian aid agencies delivering assistance and supporting recovery in the expanded operational areas of the North Caucasus Region — Russia	2006-2007	—	832	—	—	832	778	54	—	832	—	—
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Kyrgyzstan — Support to Improved Transparency in the Decision-making Process and Institutional Strengthening of the Kyrgyz Parliament	2006-2007	—	519	—	—	519	617	43	—	660	—	(141)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Ukraine — Programme for the Prevention of Drug Abuse and the Fight against Drug Trafficking in Belarus, Ukraine and Moldova — BUMAD 3	2006-2007	—	1 536	—	—	1 536	1 172	93	—	1 265	—	271
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Tajikistan — Enhanced Individual Incomes and Improved Living Standards through the Development of Local Productive Mechanisms, Income-generating Activities	2006-2007	—	1 438	—	—	1 438	535	12	—	547	—	891
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for European Union Border Assistance Mission to Moldova and Ukraine	2006-2007	—	11 179	—	—	11 179	10 591	710	—	11 301	—	(122)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—

			Income				*Expenditure*					
			Trust funds				*Trust funds*					
Name of Trust Fund	*Year*	*Fund balances as at 1 January*[a]	*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*	*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
EEC Trust Fund for Strengthening the Role of Civil Society in Shaping Poverty-Related Policies and Practice	2006-2007	—	1 803	—	—	1 803	1 633	114	—	1 747	—	56
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Border Management in Badakshan, Afghanistan	2006-2007	—	3 881	—	—	3 881	1 282	37	—	1 319	—	2 562
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Increasing Capacity in Natural Disaster Preparedness and Mitigation of Local Governments and Communities most Vulnerable to Earthquakes, Mudflows, Flash floods, Landslides and Avalanches in Kyrgyzstan	2006-2007	—	213	—	—	213	192	18	—	210	—	3
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Small Grant Facility within the frame of Western Tian Shan Biodiversity Conservation Project	2006-2007	—	169	—	—	169	145	2	—	147	—	22
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Landmine and Ordnance Clearance in Cyprus	2006-2007	—	2 554	30	—	2 584	2 076	102	—	2 178	—	406
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Strengthening Disaster Risk Management in Tajikistan	2006-2007	—	373	—	—	373	250	7	—	257	—	116
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Enhancement of Living Standards (ELS) in Ferghana Valley, Uzbekistan	2006-2007	—	453	—	—	453	13	—	—	13	—	440
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund in Georgia for South Caucasus Anti-Drug Programme — Phase V (SCAD V)	2006-2007	—	1 104	—	—	1 104	99	7	—	106	—	998
	2004-2005	—	—	—	—	—	—	—	—	—	—	—

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income: Trust funds: Contributions	Income: Trust funds: Other	Income: Sub-trust funds	Income: Total	Expenditure: Trust funds: Project costs	Expenditure: Trust funds: Other	Expenditure: Sub-trust funds[b]	Expenditure: Total	Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
EEC Trust Fund for Support to the Committee on Missing Persons Project on Exhumation, Identification and Return of Remains of Missing Persons in Cyprus	2006-2007	—	1 216	—	—	1 216	582	85	—	667	—	549
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Municipal Development in South-West Serbia, Phase II	2006-2007	—	2 217	—	—	2 217	132	9	—	141	—	2 076
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Community-based Approach to Local Development	2006-2007	—	1 277	—	—	1 277	2	—	—	2	—	1 275
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Communications, Volet 2	2006-2007	—	558	—	—	558	466	39	—	505	—	53
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Border Management in Central Asia, Phase 6	2006-2007	—	1 982	—	—	1 982	—	—	—	—	—	1 982
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Emergency Assistance for the Victims of the Drought in Moldova	2006-2007	—	3 458	—	—	3 458	93	1	—	94	—	3 364
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support to Enhancing Regional Trade and Attracting New Investments to Albania	2006-2007	—	323	—	—	323	—	—	—	—	—	323
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for European Union Border Assistance Mission to Moldova and Ukraine	2006-2007	—	—	—	—	—	1 335	93	—	1 428	—	(1 428)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
Total Fund Manager: UNDP Europe and CIS	**2006-2007**	**29 218**	**142 290**	**639**	**—**	**142 929**	**140 400**	**9 019**	**—**	**149 419**	**(696)**	**22 032**
	2004-2005	**9 235**	**98 360**	**450**	**6**	**98 816**	**75 297**	**3 204**	**—**	**78 501**	**(332)**	**29 218**

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	Year	Fund balances as at 1 January[a]	Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total	Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
Fund Manager: UNDP Latin America and the Caribbean												
UNDP/JAIDO Trust Fund for Sea Island Cotton Pilot Production	2006-2007	(1)	—	—	—	—	—	—	—	—	1	—
	2004-2005	23	—	—	—	—	—	—	—	—	(24)	(1)
Trust Fund in Support of Peace-building Activities in El Salvador	2006-2007	36	—	—	—	—	—	—	—	—	(36)	—
	2004-2005	898	288	36	—	324	188	—	—	188	(998)	36
UNDP/Japan Trust Fund in Support of Reintegration Activities in Haiti	2006-2007	445	—	45	—	45	—	—	—	—	—	490
	2004-2005	424	—	21	—	21	—	—	—	—	—	445
UNDP/Spain Trust Fund for Support to Governance in Central America	2006-2007	11	—	1	—	1	(4)	—	—	(4)	—	16
	2004-2005	52	—	1	—	1	40	2	—	42	—	11
UNDP Trust Fund for the Implementation of the Agreement on the Resettlement of Populations Uprooted by Armed Conflict in Guatemala	2006-2007	975	—	60	—	60	472	17	—	489	(209)	337
	2004-2005	1 701	—	66	—	66	775	18	—	793	1	975
UNDP Trust Fund for Electoral Assistance to Haiti	2006-2007	169	—	8	—	8	—	—	—	—	(177)	—
	2004-2005	161	—	8	—	8	—	—	—	—	—	169
UNDP Trust Fund for Assistance to the Haitian National Police	2006-2007	321	—	32	—	32	—	—	—	—	—	353
	2004-2005	305	—	15	—	15	(1)	—	—	(1)	—	321
CIDA/UNDP Trust Fund for the Caribbean Project Development Facility	2006-2007	—	1 976	98	—	2 074	74	7	—	81	—	1 993
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
UNDP/EEC Trust Fund for Support to Parliamentary and Presidential Elections in Guyana	2006-2007	83	—	8	—	8	—	—	—	—	—	91
	2004-2005	79	—	4	—	4	—	—	—	—	—	83
EU Component within the GLOG Observation Mission — General Elections in Guyana	2006-2007	103	—	10	—	10	—	—	—	—	—	113
	2004-2005	98	—	5	—	5	—	—	—	—	—	103

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income: Trust funds: Contributions	Income: Trust funds: Other	Income: Sub-trust funds	Income: Total	Expenditure: Trust funds: Project costs	Expenditure: Trust funds: Other	Expenditure: Sub-trust funds[b]	Expenditure: Total	Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
ECHO Trust Fund for Strengthening Capacity for Preparing Response to Disaster Situations in Haiti	2006-2007	16	—	2	—	2	—	—	—	—	—	18
	2004-2005	15	—	1	—	1	—	—	—	—	—	16
ECHO/Jamaica Trust Fund for Community Disaster Management Strengthening Programme	2006-2007	(161)	—	—	—	—	(117)	(1)	—	(118)	47	4
	2004-2005	(45)	—	—	—	—	114	2	—	116	—	(161)
Belgium Trust Fund in Support of the Cuba Programme for "Saneamiento Ambiental de la Bahía de la Habana"	2006-2007	177	—	1	—	1	44	2	—	46	—	132
	2004-2005	194	(194)	2	—	(192)	496	23	—	519	694	177
UNDP Trust Fund for Support to Cuba for Reconstruction and Recovery as a result of Devastation caused by Hurricane Mitchell	2006-2007	7	—	—	—	—	3	—	—	3	—	4
	2004-2005	69	—	1	—	1	61	2	—	63	—	7
Belgium Trust Fund for Support to the Programme "Apoyo a la Comision de la Verdad y Reconciliacion"	2006-2007	—	—	—	—	—	—	—	—	—	—	—
	2004-2005	(6)	—	—	—	—	—	(6)	—	(6)	—	—
EEC Trust Fund for Support to Social Infrastructure Project — Rehabilitation of 35.5 Kms of Roadway from Port-Paix to Jean Rabel — Haiti	2006-2007	82	—	2	—	2	—	—	—	—	—	84
	2004-2005	64	—	2	—	2	(15)	(1)	—	(16)	—	82
Belgium Trust Fund for Support to the Programme "Réconstruction et réhabilitation de logements à Pinar del Rio — Cuba"	2006-2007	25	—	4	—	4	(58)	(2)	—	(60)	—	89
	2004-2005	982	—	18	—	18	947	28	—	975	—	25
EEC Trust Fund for Support to Caribbean Regional Assistance Centre	2006-2007	209	—	2	—	2	31	55	—	86	—	125
	2004-2005	735	912	4	—	916	1 442	—	—	1 442	—	209
EEC/ECHO Trust Fund for Radar Early Warning in the Caribbean	2006-2007	(16)	78	—	—	78	2	—	—	2	(39)	21
	2004-2005	170	76	1	—	77	246	17	—	263	—	(16)

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	Year	Fund balances as at 1 January[a]	Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total	Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
EEC Trust Fund for "Appui au renforcement de la societé civile dans le cadre de participation au processus de réforme de la justice pénale en Haiti"	2006-2007	125	—	—	—	—	122	3	—	125	16	16
	2004-2005	300	437	7	—	444	588	41	—	629	10	125
EEC Trust Fund for Water and Sanitation Observatory of Guatemala	2006-2007	293	—	1	—	1	—	—	—	—	—	294
	2004-2005	277	704	11	—	715	669	30	—	699	—	293
EEC Trust Fund for Support to Prevention of the Diversion of Chemical Precursors for Drug Manufacturing in the Andean Countries	2006-2007	525	797	2	—	799	1 261	67	—	1 328	—	(4)
	2004-2005	918	—	36	—	36	409	20	—	429	—	525
Support to the activities of the Office of the Special Adviser of the United Nations Secretary-General for Columbia	2006-2007	344	—	—	—	—	—	—	—	—	(413)	(69)
	2004-2005	—	343	1	—	344	—	—	—	—	—	344
Programme for Democratic Development in Latin America (PRODDAL)	2006-2007	—	—	—	—	—	—	—	—	—	—	—
	2004-2005	—	1 119	—	—	1 119	1 054	65	—	1 119	—	—
Programme for Democratic Development in Latin America (PRODDAL II)	2006-2007	514	—	2	—	2	501	1	—	502	—	14
	2004-2005	—	799	1	—	800	267	19	—	286	—	514
UNDP/EEC Trust Fund for the Project "Reserva de la Biosfera — Banados el Este Uruguay"	2006-2007	30	—	3	—	3	—	—	—	—	—	33
	2004-2005	29	54	1	—	55	54	—	—	54	—	30
EEC Trust Fund for Humanitarian Demining in Chile	2006-2007	—	1 177	—	—	1 177	958	64	—	1 022	—	155
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund pour appui des élections locales, législatives et présidentielles en Haiti	2006-2007	9 504	—	1	—	1	8 901	421	—	9 322	—	183
	2004-2005	—	11 372	19	—	11 391	1 853	34	—	1 887	—	9 504

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
EEC Trust Fund for Support to the Organization of Local, Legislative and Presidential Elections in Haiti	2006-2007	8 868	—	1	—	1	8 280	342	—	8 622	—	247
	2004-2005	—	8 852	16	—	8 868	—	—	—	—	—	8 868
EEC Trust Fund for Consolidation of Democracy and Support to Election Activities 2005 in Suriname	2006-2007	106	—	—	—	—	2	—	—	2	—	104
	2004-2005	—	462	—	—	462	332	24	—	356	—	106
ECHO Trust Fund for Fostering Knowledge Transfer and Replication of Best Practice in Disaster Preparedness/Risk Reduction within the Caribbean	2006-2007	375	—	—	—	—	356	12	—	368	—	7
	2004-2005	—	374	1	—	375	—	—	—	—	—	375
EEC Trust Fund for a New Agenda for Social Cohension and Democratic Development in Latin America	2006-2007	—	726	—	—	726	641	48	—	689	—	37
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC-Ecological and Financial Sustainable Management of the Guiana Shield Eco-region, Guyana	2006-2007	—	574	—	—	574	197	14	—	211	—	363
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EC Trust Fund for Strengthening the National Capacity for Disaster Prevention and Preparedness in the Dominican Republic	2006-2007	—	3 935	—	—	3 935	2 288	158	—	2 446	—	1 489
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EU Trust Fund for Election Observation Mission to Nicaragua	2006-2007	—	3 235	—	—	3 235	2 119	152	—	2 271	—	964
	2004-2005	—	—	—	—	—	—	—	—	—	—	—

			Income				*Expenditure*					
			Trust funds				*Trust funds*					
Name of Trust Fund	*Year*	*Fund balances as at 1 January*[a]	*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*	*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
EEC Trust Fund for Bolivia — Regional Strengthening and Disaster Risk Reduction in Major Cities in the Andean Community, Bolivia, Colombia, Ecuador, Peru and Venezuela	2006-2007	—	290	—	—	290	267	23	—	290	—	—
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC-Consolidation of the Democratic Process in a Polarized Political Situation involving Support to the National and Regional Elections in Guyana 2006	2006-2007	—	1 221	—	—	1 221	905	45	—	950	—	271
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EC Trust Fund for Conflict Prevention in Peru — development of conflict management capacities and dialogue promotion at the local level	2006-2007	—	429	—	—	429	401	23	—	424	—	5
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EC Programa de Recuperaçion Ambiental Communitario para combatir la Desertificaçion	2006-2007	—	663	—	—	663	75	6	—	81	—	582
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
UNDP/Spain Trust Fund for Integrated and Inclusive Development	2006-2007	—	25 257	1 117	—	26 374	3 081	893	—	3 974	—	22 400
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Compilation and Dissemination of Disaster Preparedness Tools, Methodologies and Lessons Learned in Local-level Risk Management in Central America	2006-2007	—	443	1	—	444	199	6	—	205	—	239
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support to the Caribbean Regional Technical Assistance Centre	2006-2007	—	567	—	—	567	552	16	—	568	—	(1)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds		Sub-trust funds	Total	Trust funds		Sub-trust funds[b]	Total		
			Contributions	Other			Project costs	Other				
International Commission against Impunity in Guatemala	2006-2007	—	5 330	68	—	5 398	81	6	—	87	—	5 311
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EC/EU Electoral Observation Mission for Legislative and Presidential Elections in Guatemala, 2007	2006-2007	—	3 922	—	—	3 922	2 234	156	—	2 390	—	1 532
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for implementation of a Multimodal Climate Extreme Events Information System for Ecuadorian Local Communities	2006-2007	—	150	—	—	150	—	—	—	—	—	150
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
Total Fund Manager: UNDP Latin America and Caribbean	**2006-2007**	**23 165**	**50 770**	**1 469**	—	**52 239**	**33 868**	**2 534**	—	**36 402**	**(810)**	**38 192**
	2004-2005	**7 443**	**25 598**	**278**	—	**25 876**	**9 519**	**318**	—	**9 837**	**(317)**	**23 165**
Fund Manager: BOM												
UNDP Trust Fund for the Evaluation of UNIFEM	2006-2007	116	—	12	—	12	—	—	—	—	—	128
	2004-2005	16	—	100	—	100	—	—	—	—	—	116
Swedish Trust Fund on Efficiency and Effectiveness Enhancing Measures Within UNDP	2006-2007	1 619	—	82	—	82	—	—	—	—	(1 701)	—
	2004-2005	1 543	—	76	—	76	—	—	—	—	—	1 619
UNDP 2001 Trust Fund	2006-2007	1 620	—	138	24	162	—	—	—	—	—	1 782
	2004-2005	1 403	144	62	11	217	—	—	—	—	—	1 620
UNDP/SIDA Trust Fund for Assistance to UNDP-specific Activities	2006-2007	31 242	179 342	11	—	179 353	126 762	5 567	—	132 329	(13 687)	64 579
	2004-2005	27 733	129 226	55	—	129 281	94 008	4 212	—	98 220	(27 552)	31 242
UNSECOORD Programme for the Security Coordination Structure in Iraq	2006-2007	398	—	40	—	40	—	—	—	—	—	438
	2004-2005	377	—	21	—	21	—	—	—	—	—	398
UNDP/Canada Trust Fund for Security Operations identified in the 2003 UN Flash Appeal for Iraq	2006-2007	7	—	1	—	1	—	—	—	—	—	8
	2004-2005	435	—	8	—	8	414	22	—	436	—	7

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	*Year*	*Fund balances as at 1 January*[a]	*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*	*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
Trust Fund for Support of UNSECOORD for the 2002 UN Consolidated Inter-Agency Appeal for the North Caucasus	2006-2007	16	—	2	—	2	—	—	—	—	—	18
	2004-2005	15	—	1	—	1	—	—	—	—	—	16
Trust Fund for Support of UNSECOORD Earmarking: Security Operations in Sudan	2006-2007	(85)	—	—	—	—	—	—	—	—	85	—
	2004-2005	(85)	—	—	—	—	—	—	—	—	—	(85)
Trust Fund for Support of UNSECOORD Earmarking: Security of Relief Staff in the Democratic Republic of the Congo	2006-2007	232	—	8	—	8	216	11	—	227	—	13
	2004-2005	537	—	16	—	16	321	—	—	321	—	232
Trust Fund for Implementation of UNDP Business Plan Initiatives 2000-2003	2006-2007	532	—	166	—	166	(159)	—	—	(159)	1 841	2 698
	2004-2005	1 627	—	45	—	45	1 140	—	—	1 140	—	532
UNDP/United Kingdom Trust Fund on behalf of UNSECOORD Programme for the Reinforcement of Security for UN Operations in Iraq	2006-2007	212	—	(105)	—	(105)	(134)	2	—	(132)	—	239
	2004-2005	—	5 329	152	—	5 481	5 006	263	—	5 269	—	212
Total Fund Manager: BOM	**2006-2007**	**35 909**	**179 342**	**355**	**24**	**179 721**	**126 685**	**5 580**	—	**132 265**	**(13 462)**	**69 903**
	2004-2005	**33 601**	**134 699**	**536**	**11**	**135 246**	**100 889**	**4 497**	—	**105 386**	**(27 552)**	**35 909**
Fund Manager: BOM/DRPC												
UNDP Trust Fund for the Developing Countries Afflicted by Famine and Malnutrition	2006-2007	749	—	75	—	75	—	—	—	—	—	824
	2004-2005	714	—	35	—	35	—	—	—	—	—	749
Total Fund Manager: BOM/DRPC	**2006-2007**	**749**	—	**75**	—	**75**	—	—	—	—	—	**824**
	2004-2005	**714**	—	**35**	—	**35**	—	—	—	—	—	**749**

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	*Year*	*Fund balances as at 1 January*[a]	*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*	*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
Fund Manager: BCPR												
UNDP Trust Fund for Crisis Post-conflict and Recovery Situations	2006-2007	624	—	49	—	49	255	54	—	309	—	364
	2004-2005	581	—	29	—	29	(14)	—	—	(14)	—	624
EEC Trust Fund for Strengthening Emergency Field Coordination in Afghanistan	2006-2007	141	—	—	—	—	—	—	—	—	—	141
	2004-2005	1	—	—	—	—	—	—	—	—	140	141
UNDP Thematic Trust Fund for Crisis Prevention and Recovery	2006-2007	180 357	207 756	13 549	—	221 305	229 012	6 652	—	235 664	(561)	165 437
	2004-2005	115 180	420 561	8 478	—	429 039	335 723	15 950	—	351 673	(12 189)	180 357
UNDP Trust Fund for Sustainable Social Development, Peace and Support to Countries in Special Situations	2006-2007	2 210	65	231	—	296	(90)	(22)	—	(112)	—	2 618
	2004-2005	189	—	113	—	113	1 922	—	—	1 922	3 830	2 210
UNDP Trust Fund for Support to Capacity Development for Reform	2006-2007	—	2 000	151	—	2 151	191	—	—	191	—	1 960
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
Total Fund Manager: BCPR	**2006-2007**	**183 332**	**209 821**	**13 980**	—	**223 801**	**229 368**	**6 684**	—	**236 052**	**(561)**	**170 520**
	2004-2005	**115 951**	**420 561**	**8 620**	—	**429 181**	**337 631**	**15 950**	—	**353 581**	**(8 219)**	**183 332**
Fund Manager: SU/TCDC												
Perez-Guerrero Trust Fund for Economic and Technical Cooperation among Developing Countries	2006-2007	6 791	214	586	—	800	568	4	—	572	—	7 019
	2004-2005	6 016	1 104	436	—	1 540	758	7	—	765	—	6 791
UNDP/DEVNET Trust Fund for Technological Information Pilot System (TIPS)	2006-2007	137	—	14	—	14	—	—	—	—	—	151
	2004-2005	131	—	6	—	6	—	—	—	—	—	137
UNDP Trust Fund for the Promotion of South-South Cooperation	2006-2007	5 363	3 336	476	—	3 812	5 149	227	—	5 376	801	4 600
	2004-2005	1 192	5 153	174	—	5 327	1 030	126	—	1 156	—	5 363

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	*Year*	*Fund balances as at 1 January*[a]	*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*	*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
IBSA Facility	2006-2007	2 649	5 000	496	—	5 496	934	18	—	952	—	7 193
	2004-2005	—	2 705	90	—	2 795	139	7	—	146	—	2 649
Total Fund Manager: SU/TCDC	**2006-2007**	**14 940**	**8 550**	**1 572**	**—**	**10 122**	**6 651**	**249**	**—**	**6 900**	**801**	**18 963**
	2004-2005	**7 339**	**8 962**	**706**	**—**	**9 668**	**1 927**	**140**	**—**	**2 067**	**—**	**14 940**
Fund Manager: BRSP												
UNDP Trust Fund for Action on Development Issues	2006-2007	(6)	—	—	—	—	—	—	—	—	5	(1)
	2004-2005	(6)	—	—	—	—	—	—	—	—	—	(6)
UNDP Millennium Trust Fund	2006-2007	7 953	9 477	361	340	10 178	3 029	(8)	10 759	13 780	(417)	3 934
	2004-2005	9 856	13 866	261	3 282	17 409	10 900	589	7 097	18 586	(726)	7 953
Fonds d'affectation spécial français	2006-2007	810	294	86	—	380	277	14	—	291	362	1 261
	2004-2005	—	419	21	—	440	265	—	—	265	635	810
Belgium Trust Fund for Enhancing Private-Sector Development Assistance for Developing Countries and Promoting UN Reform at the Country Level	2006-2007	164	—	—	—	—	85	4	—	89	—	75
	2004-2005	—	224	1	—	225	58	3	—	61	—	164
EC Trust Fund for the European Millennium Campaign against Poverty	2006-2007	—	350	1	—	351	314	—	—	314	—	37
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
UNDP Trust Fund for International Partnership	2006-2007	8 928	257	221	20 234	20 712	225	12	23 295	23 532	(1 134)	4 974
	2004-2005	1 411	308	(175)	26 325	26 458	269	16	18 501	18 786	(155)	8 928
UNDP/Italy Trust Fund for Anti-Poverty Partnership Initiatives	2006-2007	4 216	313	274	—	587	2 141	97	—	2 238	(187)	2 378
	2004-2005	2 840	4 276	225	—	4 501	3 073	52	—	3 125	—	4 216
Total Fund Manager: BRSP	**2006-2007**	**22 065**	**10 691**	**943**	**20 574**	**32 208**	**6 071**	**119**	**34 054**	**40 244**	**(1 371)**	**12 658**
	2004-2005	**14 101**	**19 093**	**333**	**29 607**	**49 033**	**14 565**	**660**	**25 598**	**40 823**	**(246)**	**22 065**
Fund Manager: BRSP/Geneva												
UNDP Trust Fund for Advocacy	2006-2007	433	26	26	—	52	219	13	—	232	—	253
	2004-2005	430	730	19	—	749	708	38	—	746	—	433

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
UNDP Trust Fund for Innovative Partnerships with National Governments, Local Authorities, Private Sector, NGOs, Academic Institutions and Foundations	2006-2007	1 545	33 343	1 236	—	34 579	5 750	279	—	6 029	270	30 365
	2004-2005	—	1 576	24	—	1 600	55	—	—	55	—	1 545
Total Fund Manager: BRSP/Geneva	**2006-2007**	**1 978**	**33 369**	**1 262**	—	**34 631**	**5 969**	**292**	—	**6 261**	**270**	**30 618**
	2004-2005	**430**	**2 306**	**43**	—	**2 349**	**763**	**38**	—	**801**	—	**1 978**
Fund Manager: UNDP Arab States												
EEC Trust Fund for Local Government and Country Recovery in South Sudan	2006-2007	638	578	(17)	—	561	582	45	—	627	—	572
	2004-2005	—	620	1	—	621	(17)	—	—	(17)	—	638
UNDP Trust Fund for Somalia	2006-2007	1 326	—	130	—	130	27	—	—	27	—	1 429
	2004-2005	1 278	—	62	—	62	14	—	—	14	—	1 326
Trust Fund for Poverty Alleviation in the Arab Region	2006-2007	313	—	31	—	31	—	—	—	—	—	344
	2004-2005	299	—	14	—	14	—	—	—	—	—	313
UNDP Trust Fund for the Iraq Programme	2006-2007	172	—	—	—	—	92	—	—	92	209	289
	2004-2005	(16 750)	22 238	281	—	22 519	(191)	45)	—	(236)	(5 833)	172
UNDP/Italy Trust Fund for the project "Yemen — Environment, Natural Resources and Poverty in the Socotra Archipelago"	2006-2007	76	—	8	—	8	—	—	—	—	—	84
	2004-2005	72	—	4	—	4	—	—	—	—	—	76
EEC Trust Fund for the Mediterranean Urban Waste Management Programme	2006-2007	154	—	—	—	—	—	—	—	—	(155)	(1)
	2004-2005	(44)	198	—	—	198	—	—	—	—	—	154
Iraq/EEC (ECHO) Trust Fund for Improvement of the Living Conditions and Self-esteem of Women Inmates	2006-2007	5	—	1	—	1	—	—	—	—	—	6
	2004-2005	5	—	—	—	—	—	—	—	—	—	5

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	*Year*	*Fund balances as at 1 January*[a]	*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*	*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
Iraq/EEC (ECHO) Trust Fund for Rehabilitation of Water Treatment Plant Water Pumping and Sewage Pumping Stations in Baghdad	2006-2007	21	—	2	—	2	—	—	—	—	—	23
	2004-2005	20	—	1	—	1	—	—	—	—	—	21
ICT Trust Fund for Egypt	2006-2007	3 871	1 986	208	—	2 194	4 125	249	—	4 374	(45)	1 646
	2004-2005	7 363	2 563	208	—	2 771	5 962	301	—	6 263	—	3 871
EEC Trust Fund for Somalia Landmine Impact Survey	2006-2007	60	—	—	—	—	—	—	—	—	—	60
	2004-2005	(73)	119	—	—	119	(14)	—	—	(14)	—	60
EEC (ECHO) Trust Fund for Enhanced UN Security Operation in Support of Humanitarian Aid Efforts in the Sudan	2006-2007	4	—	4	—	4	—	—	—	—	—	8
	2004-2005	70	—	3	—	3	66	3	—	69	—	4
ECHO Trust Fund for Improvement of the Health and Sanitary Conditions in Mosul Centre for the Elderly	2006-2007	20	—	8	—	8	—	—	—	—	—	28
	2004-2005	76	23	4	—	27	79	4	—	83	—	20
EEC Trust Fund for Somalia AU/UN Strategic Demilitarization Planning Unit	2006-2007	119	—	—	—	—	(11)	(1)	—	(12)	—	131
	2004-2005	—	265	—	—	265	139	7	—	146	—	119
EEC Trust Fund for Enhancement of Permanent Environmental Awareness Unit at the Ministry of Environment in Lebanon	2006-2007	1	22	—	—	22	20	2	—	22	—	1
	2004-2005	39	13	—	—	13	47	4	—	51	—	1
ECHO/Iraq Trust Fund for Humanitarian Rehabilitation of Water and Sanitation Facilities in Baghdad	2006-2007	(292)	—	—	—	—	(64)	—	—	(64)	228	—
	2004-2005	(292)	—	—	—	—	—	—	—	—	—	(292)
EEC Trust Fund for Strategic Environmental Assessment and Land Use Planning in Lebanon	2006-2007	26	31	—	—	31	47	2	—	49	—	8
	2004-2005	60	119	—	—	119	143	10	—	153	—	26

			Income				Expenditure					
			Trust funds				Trust funds					
Name of Trust Fund	Year	Fund balances as at 1 January[a]	Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total	Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
ECHO Trust Fund for Electoral Support Project for the Supreme Commission for Elections and Referenda in Yemen	2006-2007	(11)	—	1	—	1	—	—	—	—	11	1
	2004-2005	38	—	2	—	2	—	—	—	—	(51)	(11)
UNDP Fund for the Programme of Assistance to the Palestinian People	2006-2007	40 713	129 227	7 494	1 515	138 236	88 205	3 272	—	91 477	(784)	86 688
	2004-2005	29 083	120 192	1 575	742	122 509	110 077	552	—	110 629	(250)	40 713
EEC/Lebanon Trust Fund for LIFE Third Countries — Technical Assistance to Reinforce Governance in Environmental Tasks	2006-2007	164	—	9	—	9	112	4	—	116	(40)	17
	2004-2005	182	158	7	—	165	174	9	—	183	—	164
EEC Trust Fund for Djibouti for the project "Réinsertion des déplacés à travers la (ré)construction des logements détruits et endommagés dans les zones affectées par le conflit"	2006-2007	26	443	3	—	446	813	56	—	869	—	(397)
	2004-2005	1 018	449	19	—	468	1 405	55	—	1 460	—	26
UNDP Trust Fund for Support to Programme Activities in Iraq in Electricity and Infrastructure	2006-2007	—	—	—	—	—	—	—	—	—	—	—
	2004-2005	20 549	—	612	—	612	—	—	—	—	(21 161)	—
EEC/Somalia Trust Fund for Mine Action Capacity-building and Landmine Impact Survey	2006-2007	(150)	—	—	—	—	—	—	—	—	151	1
	2004-2005	1 131	—	18	—	18	1 258	23	—	1 281	(18)	(150)
EEC Trust Fund for Rehabilitation of Sanitation Services in Baghdad Iraq	2006-2007	3 908	—	400	—	400	(19)	(6)	—	(25)	(3 747)	586
	2004-2005	3 818	—	186	—	186	90	6	—	96	—	3 908
ECHO Trust Fund for Enhanced United Nations Security Operations in Support of Humanitarian Aid Efforts	2006-2007	(74)	—	—	—	—	(75)	—	—	(75)	—	1
	2004-2005	186	—	—	—	—	260	—	—	260	—	(74)

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
EEC (European Dev. Fund)/ Somalia Trust Fund Proposed Feasibility Study on Financial Services	2006-2007	63	—	3	—	3	—	—	—	—	(65)	1
	2004-2005	60	—	3	—	3	—	—	—	—	—	63
EEC/Somalia Trust Fund for Information Coverage in the Eldoret Peace Process (phases 2 and 3)	2006-2007	68	—	9	—	9	—	—	—	—	—	77
	2004-2005	84	—	4	—	4	(16)	—	—	(16)	(36)	68
EEC/Somalia Trust Fund for enhancing Good Governance through Support to SACB Secretariat	2006-2007	110	—	15	—	15	—	—	—	—	—	125
	2004-2005	148	—	7	—	7	41	4	—	45	—	110
Security awareness induction training for Iraq	2006-2007	(24)	423	—	—	423	423	—	—	423	24	—
	2004-2005	—	483	—	—	483	483	24	—	507	—	(24)
Support to Iraq reconstruction	2006-2007	115 870	54 028	(247)	—	53 781	98 447	3 801	—	102 248	—	67 403
	2004-2005	—	245 089	5 447	—	250 536	128 940	5 726	—	134 666	—	115 870
Emergency procurement of security and protection equipment, materials and services — Iraq	2006-2007	147	—	—	—	—	(134)	(6)	—	(140)	(265)	22
	2004-2005	—	1 853	—	—	1 853	1 632	74	—	1 706	—	147
Integrated Waste Management for the olive-oil pressing industries in Lebanon, Syria and Jordan	2006-2007	252	539	—	—	539	530	33	—	563	—	228
	2004-2005	—	380	—	—	380	120	8	—	128	—	252
Somalia Aid Coordination Body (SACB)	2006-2007	103	—	—	—	—	(60)	(4)	—	(64)	(163)	4
	2004-2005	—	334	—	—	334	217	14	—	231	—	103
Promoting the rights of women and children through information (Tunisia, Lebanon, Egypt)	2006-2007	(304)	—	—	—	—	(304)	(9)	—	(313)	—	9
	2004-2005	—	244	—	—	244	532	16	—	548	—	(304)
Arab Human Development Report	2006-2007	1 026	137	39	529	705	648	32	246	926	—	805
	2004-2005	—	958	28	503	1 489	—	—	209	209	(254)	1 026
Trust Fund for Support of Programme Activities in the Iraq Elections	2006-2007	(1 447)	1 500	36	—	1 536	82	111	—	193	1 565	1 461
	2004-2005	—	—	—	—	—	21 064	1 544	—	22 608	21 161	(1 447)

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds		Sub-trust funds	Total	Trust funds		Sub-trust funds[b]	Total		
			Contributions	Other			Project costs	Other				
EEC Trust Fund for Coordination and Management of UNRC	2006-2007	(19)	—	—	—	—	(25)	(1)	—	(26)	(8)	(1)
	2004-2005	—	210	—	—	210	219	10	—	229	—	(19)
EEC Trust Fund for Somalia Joint Needs Assessment	2006-2007	1 153	162	—	—	162	1 373	—	—	1 373	—	(58)
	2004-2005	—	1 151	2	—	1 153	—	—	—	—	—	1 153
EEC Trust Fund for Technical Assistance Project for Electoral Law Reform in Lebanon	2006-2007	151	(151)	—	—	(151)	—	—	—	—	—	—
	2004-2005	—	151	—	—	151	—	—	—	—	—	151
EEC Trust Fund for Electoral Support Project for the Supreme Commission for Elections and Referenda (SCER) of Yemen	2006-2007	—	557	—	—	557	513	16	—	529	—	28
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC — Egypt FGM Free Village Model: Demonstration of Partnership	2006-2007	390	2 535	—	—	2 535	2 081	104	—	2 185	—	740
	2004-2005	—	389	1	—	390	—	—	—	—	—	390
EEC Trust Fund for Election Observation Mission to Lebanon	2006-2007	(50)	—	—	—	—	(1)	—	—	(1)	50	1
	2004-2005	—	1 889	—	—	1 889	1 812	127	—	1 939	—	(50)
EEC Trust Fund for Support to the Rule of Law and Security (ROLS) Programme for Somalia	2006-2007	1 803	1 426	(18)	—	1 428	2 962	190	—	3 152	—	59
	2004-2005	—	3 265	3	—	3 268	1 377	88	—	1 465	—	1 803
EEC Trust Fund for Financial Sector Development Project in Somalia	2006-2007	414	1 074	—	—	1 074	1 429	34	—	1 462	—	26
	2004-2005	—	643	1	—	644	219	11	—	230	—	414
EEC-Sudan Trust Fund for Support to the Joint Assessment Mission	2006-2007	89	—	—	—	—	—	—	—	—	(90)	(1)
	2004-2005	—	342	—	—	342	212	41	—	253	—	89
EEC/Sudan Trust Fund for Post-conflict Community-based Recovery and Rehabilitation Programme	2006-2007	21 433	22 007	2	—	22 009	27 608	—	—	27 608	—	15 834
	2004-2005	—	23 006	37	—	23 043	—	1 610	—	1 610	—	21 433

Name of Trust Fund	Year	Fund balances as at 1 January[a]	Income				Expenditure				Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
			Trust funds				Trust funds					
			Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total		
EEC Support to Special Envoy for Gaza Withdrawal	2006-2007	355	670	12	—	682	872	2	—	874	—	163
	2004-2005	—	1 424	—	—	1 424	1 064	5	—	1 069	—	355
EEC Trust Fund for Secretariat Support Services for Coordination between the International Community and Somalia	2006-2007	565	—	2	—	2	313	8	—	321	—	246
	2004-2005	—	571	1	—	572	7	—	—	7	—	565
EEC Trust Fund for Mobilizing Palestinian Civil Society during Elections via UNDP/PAPP	2006-2007	247	112	—	—	112	—	—	—	—	—	359
	2004-2005	—	247	—	—	247	—	—	—	—	—	247
EEC Trust Fund against Anti-personnel Landmines in Somalia	2006-2007	—	1 706	6	—	1 712	1 272	64	—	1 336	—	376
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Interim Disarmament, Demobilization and Reintegration Programme (IDDRP) in the Sudan	2006-2007	—	9 938	—	—	9 938	6 783	296	—	7 079	—	2 859
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for the Sudan — Capacity Development for Good Aid Management	2006-2007	—	927	—	—	927	441	24	—	465	—	462
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Somalia — Institutional Support Project	2006-2007	—	10 042	(17)	—	10 025	9 378	611	—	9 989	—	36
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Yemen — Election Observation Mission to Yemen 2006	2006-2007	—	3 160	—	—	3 160	2 413	169	—	2 582	—	578
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Rapid Rehabilitation of Key Municipal Infrastructure for Local Service Delivery in Lebanon	2006-2007	—	1 921	—	—	1 921	1 741	122	—	1 863	—	58
	2004-2005	—	—	—	—	—	—	—	—	—	—	—

			Income				Expenditure					
		Fund balances as at 1 January[a]	Trust funds				Trust funds					
Name of Trust Fund	Year		Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total	Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
EEC Trust Fund for Somalia Emergency Budgetary Support Project	2006-2007	—	1 967	—	—	1 967	1 751	87	—	1 838	—	129
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC/Somalia Trust Fund for Emergency Technical Assistance to Somali Administrations	2006-2007	—	1 913	—	—	1 913	774	34	—	808	—	1 105
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Somalia — Support Project to the Somalia Joint Needs Assessment (JNA)	2006-2007	—	105	(4)	—	101	97	7	—	104	—	(3)
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Somalia — Support for Rule of Law and Security (ROLS) in Somalia	2006-2007	—	4 424	—	—	4 424	3 663	147	—	3 810	—	614
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for the Sudan — Promotion of Equality, Tolerance and Peace through the Dissemination of the Comprehensive Peace Agreement and of the Transitional Legal Framework in Southern Sudan	2006-2007	—	623	—	—	623	39	44	—	83	—	540
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Recovery Coordination Support — Lebanon	2006-2007	—	1 132	—	—	1 132	861	21	—	882	—	250
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Support to the National Plan for Environmental Management in Post-conflict Sudan (NPEM)	2006-2007	—	67	—	—	67	64	3	—	67	1	1
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Strengthening Access to Justice and Confidence-building in Kassala State and Khartoum State, Sudan	2006-2007	—	869	—	—	869	342	24	—	366	—	503
	2004-2005	—	—	—	—	—	—	—	—	—	—	—

			Income				Expenditure					
		Fund balances as at 1 January[a]	Trust funds				Trust funds					
Name of Trust Fund	*Year*		*Contributions*	*Other*	*Sub-trust funds*	*Total*	*Project costs*	*Other*	*Sub-trust funds*[b]	*Total*	*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December*[a]
EEC Trust Fund in Lebanon for Livelihoods Early Recovery at the Local Level	2006-2007	—	3 279	—	—	3 279	1 246	83	—	—	1 329	1 950
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund in Yemen for Support to Eliminate the Impact from Mines and ERW, Phase III	2006-2007	—	1 225	—	—	1 225	140	10	—	150	—	1 075
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for Human Rights Capacity-building Project in Egypt	2006-2007	—	910	—	—	910	—	—	—	—	—	910
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund in support of Capacity-building for the Lebanon Mine Action Centre	2006-2007	—	448	—	—	448	—	—	—	—	—	448
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
EEC Trust Fund for PAPP Governance Strategy Group Coordinator	2006-2007	—	307	—	—	307	73	5	—	78	—	229
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
Total Fund Manager: UNDP Arab States	**2006-2007**	**193 485**	**262 269**	**8 120**	**2 044**	**272 433**	**261 688**	**9 685**	**246**	**271 619**	**(3 123)**	**191 176**
	2004-2005	**48 420**	**429 586**	**8 531**	**1 245**	**439 362**	**277 415**	**10 231**	**209**	**287 855**	**(6 442)**	**193 485**
Fund Manager: Office of Evaluation												
UNDP Trust Fund for Capacity Development Assessment	2006-2007	(1 176)	—	30	14	44	(41)	—	(54)	(95)	1 111	74
	2004-2005	470	—	6	8	14	—	—	3	3	(1 657)	(1 176)
Germany Trust Fund for Methodological Refinement of the SRF/ROAR Concepts	2006-2007	(2)	—	7	—	7	(12)	—	—	(12)	—	17
	2004-2005	105	—	1	—	1	107	—	—	107	(1)	(2)
Denmark Trust Fund for the Development Effectiveness Report 2002	2006-2007	77	—	—	—	—	—	—	—	—	—	77
	2004-2005	79	—	4	—	4	6	—	—	6	—	77
Norway Trust Fund for Evaluation Office of UNDP	2006-2007	(20)	471	27	—	498	200	—	—	200	—	278
	2004-2005	—	317	5	—	322	317	25	—	342	—	(20)
Total Fund Manager: Office of Evaluation	**2006-2007**	**(1 121)**	**471**	**64**	**14**	**549**	**147**	**—**	**(54)**	**93**	**1 111**	**446**
	2004-2005	**654**	**317**	**16**	**8**	**341**	**430**	**25**	**3**	**458**	**(1 658)**	**(1 121)**

			Income				Expenditure						
			Trust funds				Trust funds					
Name of Trust Fund	Year	Fund balances as at 1 January[a]	Contributions	Other	Sub-trust funds	Total	Project costs	Other	Sub-trust funds[b]	Total	Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December[a]
Fund Manager: HDRO												
German Edition of the Human Development Report (1994/1995)	2006-2007	—	—	1	—	1	—	—	—	—	—	1
	2004-2005	—	—	—	—	—	—	—	—	—	—	—
UNDP Trust Fund for Support to Analytical Capacity-building for Advocating Human Development	2006-2007	303	—	20	—	20	244	5	—	249	11	85
	2004-2005	754	—	23	—	23	455	19	—	474	—	303
Trust Fund to Mainstream Human Development into Operational Activities	2006-2007	368	—	1	—	1	322	—	—	322	(11)	36
	2004-2005	458	—	16	—	16	90	16	—	106	—	368
Total Fund Manager: HDRO	**2006-2007**	**671**	—	**22**	—	**22**	**566**	**5**	—	**571**	—	**122**
	2004-2005	**1 212**	—	**39**	—	**39**	**545**	**35**	—	**580**	—	**671**
Grand total	**2006-2007**	**1 110 164**	**2 240 544**	**73 012**	**93 931**	**2 407 487**	**1 894 208**	**109 790**	**113 255**	**2 117 253**	**(22 709)**	**1 377 689**
	2004-2005	**602 849**	**2 271 249**	**34 950**	**92 742**	**2 398 941**	**1 658 318**	**90 967**	**100 071**	**1 849 356**	**(42 270)**	**1 110 164**
						Statement 1.2		Statement 1.2		Statement 1.2		

[a] Inludes Regular resources, Cost-sharing, Management Service Agreements, Reimbursable support services where applicable.

[b] Includes UNDP support costs.

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Schedule 5.1. Selected Trust Funds established by UNDP

Statement of accounts for the biennium ended 31 December 2007

(Thousands of United States dollars)

	Trust Fund to Combat Desertification and Drought (UNSO)		*Trust Fund for the Global Environment Facility (GEF)*		*Multilateral Fund for the Implementation of the Montreal Protocol*	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Income						
Voluntary contributions	—	17	532 597	401 275	23 785	85 104
Cost-sharing contributions	9 670	1 276	5 287	1 837	822	—
Sub-trust funds contributions	—	—	8 606	15 030	481	6 374
Management services agreements contributions	7	1	—	—	—	—
Subtotal	**9 677**	**1 294**	**546 490**	**418 142**	**25 088**	**91 478**
Interest income	835	425	15 328	3 174	9 473	3 792
Reimbursable support services	38	82	4 893	—	—	—
Other income	—	7	(167)	291	836	840
Total income	**10 550**	**1 808**	**566 544**	**421 607**	**35 397**	**96 110**
Expenditure						
Programme						
Regular Resources	7	(3)	429 776	321 259	44 001	56 902
Cost-sharing	3 419	1 389	1 267	6 550	—	1
Sub-trust funds	138	99	14 584	7 512	1 767	1 907
Management services agreements	(15)	—	146	162	—	—
Subtotal	**3 549**	**1 485**	**445 773**	**335 483**	**45 768**	**58 810**
Biennial Support budget — net						
Management and administrative costs	—	—	39 216	29 555	710	1 336
Technical support costs	—	(1 064)	—	—	2 894	3 078
UNDP support costs	174	107	917	2 779	2 337	2 247

	Trust Fund to Combat Desertification and Drought (UNSO)		*Trust Fund for the Global Environment Facility (GEF)*		*Multilateral Fund for the Implementation of the Montreal Protocol*	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Reimbursable support services costs	129	—	—	—	—	—
Subtotal	**303**	**(957)**	**40 133**	**32 334**	**5 941**	**6 661**
Other expenditure	1	4	35	12	2	—
Total expenditure	**3 853**	**532**	**485 941**	**367 829**	**51 711**	**65 471**
Excess (shortfall) of income over expenditure	**6 697**	**1 276**	**80 603**	**53 778**	**(16 314)**	**30 639**
Savings on prior biennium's obligations	—	—	—	(224)	—	—
Refunds to donors and transfers to/from Other Funds	(239)	(566)	(1 790)	2 388	(60)	(208)
Fund balances, 1 January	4 315	3 605	169 273	113 331	109 552	79 121
Fund balances, 31 December	**10 773**	**4 315**	**248 086**	**169 273**	**93 178**	**109 552**
Assets						
Cash	—	—	—	—	—	—
Government letters of credit and Promissory notes	137	—	—	—	—	6 304
Investments	47	29	313 355	200 127	87 189	111 106
Operating Funds provided to Governments	234	307	12 921	18 372	503	3 768
Operating Funds provided to Executing agents	334	344	2 474	2 565	—	—
Due from UNDP — Regular Resources	9 431	3 043	—	—	7 176	—
Other accounts receivable and deferred charges	483	493	43	237	(33)	(13)
Accrued interest	284	283	3 887	1 351	1 542	1 518
Other Capital Assets	—	—	—	—	—	—
Total assets	**10 950**	**4 499**	**332 680**	**222 652**	**96 377**	**122 683**
Liabilities						
Operating Funds payable to Governments	157	208	1 744	3 115	54	33
Operating Fund payable to Executing agents	—	—	9 426	1 447	—	—
Unliquidated Obligations	29	—	21 882	13 130	2 917	5 426
Accounts Payable	(9)	(24)	813	809	228	(15)
Due to UNDP — Regular Resources	—	—	50 729	34 878	—	7 687

	Trust Fund to Combat Desertification and Drought (UNSO)		*Trust Fund for the Global Environment Facility (GEF)*		*Multilateral Fund for the Implementation of the Montreal Protocol*	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Contingency Reserve Fund	—	—	—	—	—	—
Total liabilities	177	184	84 594	53 381	3 199	13 131
Reserves and fund balances						
Operational Reserve	—	—	—	—	—	—
Endowment fund	—	—	—	—	—	—
Unexpended Resources						
Regular resources	1 820	176	214 181	141 459	86 615	104 013
Cost-sharing	7 572	2 708	21 932	16 646	840	—
Sub-trust funds	1 318	1 300	5 030	10 725	5 723	5 539
Management Service Agreements	25	2	338	443	—	—
Subtotal	**10 735**	**4 186**	**241 481**	**169 273**	**93 178**	**109 552**
Reimbursable Support Services	38	129	6 605	—	—	—
Total Unexpended Resources	**10 773**	**4 315**	**248 086**	**169 273**	**93 178**	**109 552**
Total reserves and fund balances, 31 December	**10 773**	**4 315**	**248 086**	**169 273**	**93 178**	**109 552**
Total liabilities, reserves and fund balances	**10 950**	**4 499**	**332 680**	**222 652**	**96 377**	**122 683**

The accompanying notes are an integral part of the financial statements.

Schedule 5.1. Selected Trust Funds established by UNDP

Statement of accounts for the biennium ended 31 December 2007

(Thousands of United States dollars)

	Capacity "21" Trust Fund		*UNDP Energy Account*		*UNDP Fund for the Programme of Assistance to the Palestinian People*	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Income						
Voluntary contributions	20	2	(38)	—	129 227	120 192
Cost-sharing contributions	—	—	123	529	—	—
Sub-trust funds contributions	—	—	—	—	264	185
Management services agreements contributions	—	—	—	—	—	—
Subtotal	**20**	**2**	**85**	**529**	**129 491**	**120 377**
Interest income	773	574	138	100	7 868	2 131
Reimbursable support services	—	—	48	19	—	—
Other income	—	—	—	2	877	1
Total income	**793**	**576**	**271**	**650**	**138 236**	**122 509**
Expenditure						
Programme						
Regular Resources	2 473	10 193	575	—	88 205	110 077
Cost-sharing	(1)	4	54	978	—	—
Sub-trust funds	124	(1)	—	—	—	—
Management services agreements	—	—	—	—	—	—
Subtotal	**2 596**	**10 196**	**629**	**978**	**88 205**	**110 077**
Biennial Support budget — net						
Management and administrative costs	—	—	—	—	—	—
Technical support costs	440	1 211	—	—	—	—
UNDP support costs	2	1	25	73	3 270	550

	Capacity "21" Trust Fund		*UNDP Energy Account*		*UNDP Fund for the Programme of Assistance to the Palestinian People*	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Reimbursable support services costs	—	—	—	—	—	—
Subtotal	**442**	**1 212**	**25**	**73**	**3 270**	**550**
Other expenditure	—	1	—	—	2	2
Total expenditure	**3 038**	**11 409**	**654**	**1 051**	**91 477**	**110 629**
Excess (shortfall) of income over expenditure	**(2 245)**	**(10 833)**	**(383)**	**(401)**	**46 759**	**11 880**
Savings on prior biennium's obligations	—	—	—	3	—	—
Refunds to donors and transfers to/from Other Funds	(3 750)	—	1	65	(784)	(250)
Fund balances, 1 January	6 087	16 920	1 904	2 237	40 713	29 083
Fund balances, 31 December	**92**	**6 087**	**1 522**	**1 904**	**86 688**	**40 713**
Assets						
Cash	—	—	—	—	—	—
Government letters of credit and Promissory notes	—	—	—	—	—	—
Investments	—	9 659	—	—	3 013	3 063
Operating Funds provided to Governments	56	243	—	—	—	—
Operating Funds provided to Executing agents	15	14	10	10	—	—
Due from UNDP — Regular Resources	560	—	1 561	1 935	87 064	37 637
Other accounts receivable and deferred charges	(19)	(6)	(16)	2	6	5 010
Accrued interest	—	76	—	—	—	61
Other Capital Assets	—	—	—	—	—	—
Total assets	**612**	**9 986**	**1 555**	**1 947**	**90 083**	**45 771**
Liabilities						
Operating Funds payable to Governments	528	1 156	8	9	—	—
Operating Fund payable to Executing agents	—	—	23	23	2	—
Unliquidated Obligations	5	108	—	9	101	2 058
Accounts Payable	(13)	(7)	2	2	292	—
Due to UNDP — Regular Resources	—	2 642	—	—	—	—

	Capacity "21" Trust Fund		*UNDP Energy Account*		*UNDP Fund for the Programme of Assistance to the Palestinian People*	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Contingency Reserve Fund	—	—	—	—	—	—
Total liabilities	**520**	**3 899**	**33**	**43**	**395**	**2 058**
Reserves and fund balances						
Operational Reserve	—	—	—	—	—	—
Endowment fund	—	—	—	—	3 000	3 000
Unexpended Resources						
Regular resources	73	5 732	518	1 081	72 745	28 286
Cost-sharing	14	11	784	231	—	—
Sub-trust funds	5	344	—	—	13 943	12 427
Management Service Agreements	—	—	—	—	—	—
Subtotal	**92**	**6 087**	**1 302**	**1 312**	**89 688**	**43 713**
Reimbursable Support Services	—	—	220	592	—	—
Total Unexpended Resources	**92**	**6 087**	**1 522**	**1 904**	**86 688**	**40 713**
Total reserves and fund balances, 31 December	**92**	**6 087**	**1 522**	**1 904**	**86 688**	**40 713**
Total liabilities, reserves and fund balances	**612**	**9 986**	**1 555**	**1 947**	**90 083**	**45 771**

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Schedule 5.1. Selected Trust Funds established by UNDP

Statement of accounts for the biennium ended 31 December 2007

(Thousands of United States dollars)

	UNDP Trust Fund for Rwanda		*UNDP Trust Fund for the Iraq Programme*		*UNDP/SIDA Trust Fund for Assistance to UNDP-specific activities*	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Income						
Voluntary contributions	—	371	—	22 238	179 342	129 226
Cost-sharing contributions	—	—	—	—	—	—
Sub-trust funds contributions	—	—	—	—	—	—
Management services agreements contributions	—	—	—	—	—	—
Subtotal	—	**371**	—	**22 238**	**179 342**	**129 226**
Interest income	67	—	—	122	—	37
Reimbursable support services	—	—	—	—	—	—
Other income	(1)	—	—	159	11	18
Total income	**66**	**371**	—	**22 519**	**179 353**	**129 281**
Expenditure						
Programme						
Regular Resources	(36)	652	92	(191)	126 762	94 008
Cost-sharing	—	(1)	—	—	—	—
Sub-trust funds	—	(440)	—	—	—	—
Management services agreements	—	—	—	—	—	—
Subtotal	**(36)**	**211**	**92**	**(191)**	**126 762**	**94 008**
Biennial Support budget — net						
Management and administrative costs	—	—	—	—	—	—
Technical support costs	—	—	—	—	—	—
UNDP support costs	—	21	—	213	5 567	4 189

	UNDP Trust Fund for Rwanda		*UNDP Trust Fund for the Iraq Programme*		*UNDP/SIDA Trust Fund for Assistance to UNDP-specific activities*	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Reimbursable support services costs	—	—	—	—	—	—
Subtotal	—	**21**	—	**213**	**5 567**	**4 189**
Other expenditure	1	1	—	(258)	—	23
Total expenditure	**(35)**	**233**	**92**	**(236)**	**132 329**	**98 220**
Excess (shortfall) of income over expenditure	**101**	**138**	**(92)**	**22 755**	**47 024**	**31 061**
Savings on prior biennium's obligations	—	—	—	—	—	—
Refunds to donors and transfers to/from Other Funds	(169)	245	209	(5 833)	(13 687)	(27 552)
Fund balances, 1 January	1 352	969	172	(16 750)	31 242	27 733
Fund balances, 31 December	**1 284**	**1 352**	**289**	**172**	**64 579**	**31 242**
Assets						
Cash	—	—	—	—	—	—
Government letters of credit and Promissory notes	—	—	—	—	—	—
Investments	—	1	—	—	—	—
Operating Funds provided to Governments	2	3 585	—	—	1 155	1 787
Operating Funds provided to Executing agents	1	1	—	—	1 098	985
Due from UNDP — Regular Resources	1 212	—	248	102	80 713	41 569
Other accounts receivable and deferred charges	1	4	100	101	1 095	1 207
Accrued interest	—	—	—	—	—	—
Other Capital Assets	—	—	—	—	—	—
Total assets	**1 216**	**3 591**	**348**	**203**	**84 061**	**45 548**
Liabilities						
Operating Funds payable to Governments	—	376	—	—	209	684
Operating Fund payable to Executing agents	—	1 672	33	5	1 311	2 091
Unliquidated Obligations	—	36	—	—	4 927	1 366
Accounts Payable	(68)	(68)	26	26	658	938
Due to UNDP — Regular Resources	—	223	—	—	—	—

	UNDP Trust Fund for Rwanda		*UNDP Trust Fund for the Iraq Programme*		*UNDP/SIDA Trust Fund for Assistance to UNDP-specific activities*	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Contingency Reserve Fund	—	—	—	—	12 377	9 227
Total liabilities	**(68)**	**2 239**	**59**	**31**	**19 482**	**14 306**
Reserves and fund balances						
Operational Reserve	—	—	—	—	—	—
Endowment fund	—	—	—	—	—	—
Unexpended Resources						
Regular resources	106	71	289	172	64 579	31 242
Cost-sharing	—	—	—	—	—	—
Sub-trust funds	1 178	1 281	—	—	—	—
Management Service Agreements	—	—	—	—	—	—
Subtotal	**1 284**	**1 352**	**289**	**172**	**64 579**	**31 242**
Reimbursable Support Services	—	—	—	—	—	—
Total Unexpended Resources	**1 284**	**1 352**	**289**	**172**	**64 579**	**31 242**
Total reserves and fund balances, 31 December	**1 284**	**1 352**	**289**	**172**	**64 579**	**31 242**
Total liabilities, reserves and fund balances	**1 216**	**3 591**	**348**	**203**	**84 061**	**45 548**

The accompanying notes are an integral part of the financial statements.

Schedule 6. Reimbursable support services and miscellaneous activities

Income, expenditure and fund balances for the biennium ended 31 December 2007

(Thousands of United States dollars)

	Management service agreement		*Junior Professional Officers*		*Reserve for Field Accommodation*		*Reimbursable support services*		*Special activities*		*United Nations Volunteers programme*[a]		*Total reimbursable support services, miscellaneous*	
	2006-2007	*2004-2005*	**2006-2007**	*2004-2005*	**2006-2007**	*2004-2005*	**2006-2007**	*2004-2005*	**2006-2007**	*2004-2005*	**2006-2007**	*2004-2005*	**2006-2007**	*2004-2005*
Income														
Contributions	**369 015**	234 458	**70 902**	62 990	—	—	—	—	**113 805**	76 164	**75 642**	61 568	**629 364**	435 180
Interest income	**21 301**	2 511	—	—	—	—	**27 744**	10 491	**1 075**	379	**5 750**	1 991	**55 870**	15 372
Other income	—	—	—	(22)	**2 483**	2 319	**499 838**	373 122	**114 881**	75 244	**19 674**	15 738	**636 876**	466 401
Total income	**390 316**	**236 969**	**70 902**	**62 968**	**2 483**	**2 319**	**527 582**	**383 613**	**229 761**	**151 787**	**101 066**	**79 297**	**1 322 110**	**916 953**
Expenditure														
Programme	**271 490**	179 571	**56 680**	51 658	—	—	—	—	**23 726**	14 409	**51 763**	48 019	**403 659**	293 657
Programme support costs	—	—	**6 127**	6 252	—	—	—	—	—	—	**14 419**	8 968	**20 546**	15 220
Development advisory services	—	—	—	—	—	—	—	—	**10 781**	7 564	—	—	**10 781**	7 564
Programme support to Resident Coordinator	—	—	—	—	—	—	—	—	**35 079**	17 214	—	—	**35 079**	17 214
Biennial support budget — net	—	—	—	—	**1 415**	838	**469 831**	364 002	**139 519**	91 165	**15 685**	12 840	**626 450**	468 845
Other expenditure	—	(4)	—	—	—	—	—	—	—	—	**(113)**	155	**(113)**	151
Total expenditure	**271 490**	**179 567**	**62 807**	**57 910**	**1 415**	**838**	**469 831**	**364 002**	**209 105**	**130 352**	**81 754**	**69 982**	**1 096 402**	**802 651**
Excess (shortfall) of income over expenditure	**118 826**	**57 402**	**8 095**	**5 058**	**1 068**	**1 481**	**57 751**	**19 611**	**20 656**	**21 435**	**19 312**	**9 315**	**225 708**	**114 302**
Savings on prior biennium's obligations	—	—	—	—	—	15	**1**	1 460	**(29)**	512	—	—	**(28)**	1 987
Transfer (to) or from reserves	—	—	—	—	—	—	**(19 000)**	(9 000)	—	—	—	—	**(19 000)**	(9 000)

	Management service agreement		*Junior Professional Officers*		*Reserve for Field Accommodation*		*Reimbursable support services*		*Special activities*		*United Nations Volunteers programme*[a]		*Total reimbursable support services, miscellaneous*	
	2006-2007	*2004-2005*	***2006-2007***	*2004-2005*	***2006-2007***	*2004-2005*	***2006-2007***	*2004-2005*	***2006-2007***	*2004-2005*	***2006-2007***	*2004-2005*	***2006-2007***	*2004-2005*
Refunds to donors and transfers (to) or from other funds	**(6 904)**	(5 555)	**—**	—	**—**	—	**4 836**	799	**4 079**	761	**(838)**	(4 095)	**1 173**	(8 090)
Fund balances, 1 January	**108 697**	56 850	**14 690**	9 632	**(1 503)**	(2 999)	**184 621**	171 751	**40 319**	17 611	**54 435**	49 215	**401 259**	302 060
Fund balances, 31 December	**220 619**	**108 697**	**22 785**	**14 690**	**(435)**	**(1 503)**	**228 209**	**184 621**	**65 025**	**40 319**	**72 909**	**54 435**	**609 112**	**401 259**
			Schedule 6.1		Schedule 6.2		Schedule 6.3		Schedule 6.4		Schedule 6.6		Statement I.2	

The accompanying notes are an integral part of the financial statements.

[a] The activities relating to the United Nations Volunteers programme were formally included in the schedule of funds established by the General Assembly and administered by UNDP (schedule 7).

United Nations Development Programme
Biennium 2006-2007

Schedule 6— concluded

Reimbursable support services and miscellaneous activities

Assets, liabilities and reserves and fund balances as at 31 December 2007

(Thousands of United States dollars)

	Management service agreement		Junior Professional Officers		Reserve for Field Accommodation		Reimbursable support services		Special activities		United Nations Volunteers programme[a]		Total reimbursable support services miscellaneous	
	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005
Assets														
Cash	—	—	1	—	—	—	25 287	19 656	—	—	—	1 958	25 288	21 614
Government letters of credit and promissory notes	—	—	—	—	—	—	—	—	1 755	—	—	—	1 755	—
Regular resources	—	—	—	—	—	—	—	—	—	—	71 149	47 848	71 149	47 848
Operating Funds provided to Governments	—	—	—	—	—	—	48	17	521	682	—	—	569	699
Operating Funds provided to Executing Agents	—	—	—	2	—	—	58	—	120	1	70	48	248	51
Accounts receivable and deferred charges														
Due from core activities	282 834	154 883	23 147	14 931	—	—	309 467	251 743	67 687	42 431	(43)	895	683 092	464 883
Other accounts receivable and deferred charges	—	—	222	255	3	168	348	32 677	391	168	8 064	9 977	9 028	43 245
Accrued interest	—	—	—	—	—	—	—	—	—	—	1 287	818	1 287	818
Long-term accounts receivable Note 13	—	—	—	—	350	436	—	—	—	—	—	—	350	436
Other capital assets	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Loans to Governments	—	—	—	—	806	806	—	—	—	—	—	—	806	806
Construction costs	—	—	—	—	42 918	42 916	—	—	—	—	—	—	42 918	42 916
Capitalized rehabilitation	—	—	—	—	691	983	—	—	—	—	—	—	691	983
Allowance for write-down	—	—	—	—	(9 627)	(9 632)	—	—	—	—	—	—	(9 627)	(9 632)
Total assets	**282 834**	**154 883**	**23 370**	**15 188**	**35 141**	**35 677**	**335 208**	**304 093**	**70 474**	**43 282**	**80 527**	**61 544**	**827 554**	**614 667**

	Management service agreement		*Junior Professional Officers*		*Reserve for Field Accommodation*		*Reimbursable support services*		*Special activities*		*United Nations Volunteers programme*[a]		*Total reimbursable support services, miscellaneous*	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Liabilities														
Operating Funds payable to Governments	—	—	—	—	—	—	—	—	1	44	—	—	1	44
Operating Funds payable to Executing Agents	—	—	18	2	—	—	—	—	—	—	—	—	18	2
Unliquidated obligations	62 215	46 186	27	93	12	1	5 628	7 448	3 083	2 760	918	1 300	71 883	57 788
Accounts payable	—	—	540	403	102	159	5 371	35 024	2 365	159	6 278	5 103	14 656	40 848
Due to UNDP — regular resources by														
Reserve for Field Accommodation	—	—	—	—	2 527	4 272	—	—	—	—	—	—	2 527	4 272
Junior Professional Officers Programme	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Agency reimbursement of construction costs	—	—	—	—	7 935	7 748	—	—	—	—	—	—	7 935	7 748
Deferred income	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Reserve for medical evacuation	—	—	—	—	—	—	—	—	—	—	422	706	422	706
Total liabilities	**62 215**	**46 186**	**585**	**498**	**10 576**	**12 180**	**10 999**	**42 472**	**5 449**	**2 963**	**7 618**	**7 109**	**97 442**	**111 408**
Reserves and fund balances														
Operational reserve	—	—	—	—	—	—	96 000	77 000	—	—	—	—	96 000	77 000
Fund balance — authorized level	—	—	—	—	25 000	25 000	—	—	—	—	—	—	25 000	25 000
Special capital resources	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Unexpended resources	220 619	108 697	22 785	14 690	(435)	(1 503)	228 209	184 621	65 025	40 319	72 909	54 435	609 112	401 259
Total reserves and fund balances	**220 619**	**108 697**	**22 785**	**14 690**	**24 565**	**23 497**	**324 209**	**261 621**	**65 025**	**40 319**	**72 909**	**54 435**	**730 112**	**503 259**
Total liabilities and reserves and fund balances	**282 834**	**154 883**	**23 370**	**15 188**	**35 141**	**35 677**	**335 208**	**304 093**	**70 474**	**43 282**	**80 527**	**61 544**	**827 554**	**614 667**
			Schedule 6.1		Schedule 6.2		Schedule 6.3		Schedule 6.4		Schedule 6.6		Statement II.2	

The accompanying notes are an integral part of the financial statements.

[a] The activities relating to the United Nations Volunteers programme were formally included in the schedule of funds established by the General Assembly and administered by UNDP (schedule 7).

United Nations Development Programme
Biennium 2006-2007

Schedule 6.1. Junior Professional Officers programme
Status of funds for the biennium ended 31 December 2007

(Thousands of United States dollars)

Sources of financing	*Balances as at 1 January 2006*	*Receipts*	*Programme costs*	*Support costs*	*Total expenditure*	*Balance as at 31 December 2007*
Governments						
(None)	(2)	—	3	—	3	(5)
Agence Intergovernementale — France	162	84	241	27	268	(22)
Asian Development Bank	—	—	—	—	—	—
Australia	—	—	3	—	3	(3)
Austria	1 382	1 819	1 588	172	1 760	1 441
Belgium	1 064	5 259	3 697	389	4 086	2 237
Canada	140	1 298	1 112	143	1 255	183
Cape Verde	—	—	—	—	—	—
Denmark	550	6 317	4 835	497	5 332	1 535
Finland	675	4 625	3 087	326	3 413	1 887
France	1 636	5 166	4 407	458	4 865	1 937
Germany	2 165	4 982	4 196	453	4 649	2 498
Iceland	(71)	1 042	870	94	964	7
Ireland	559	341	505	52	557	343
Italy	(444)	2 617	1 886	199	2 085	88
Japan	3 369	4 631	5 919	626	6 545	1 455
Luxembourg	144	2 886	2 350	247	2 597	433
Monaco	(24)	25	—	—	—	1
Netherlands	601	7 159	6 271	756	7 027	733
Norway	994	5 201	3 435	360	3 795	2 400
Portugal	120	589	516	59	575	134
Republic of Korea	269	594	601	62	663	200
Saudi Arabia	630	436	866	111	977	89
Spain	1 049	7 334	3 583	380	3 963	4 420
Sweden	(691)	7 324	5 513	583	6 096	537
Switzerland	616	1 203	1 211	132	1 343	476
UN Human Settlements Programme	—	—	1	—	1	(1)
United Kingdom	(1)	—	—	—	—	(1)
United Nations Development Programme	(202)	(30)	(16)	1	(15)	(217)
Total	**14 690**	**70 902**	**56 680**	**6 127**	**62 807**	**22 785**

Schedule 6

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Schedule 6.2. Reserve for Field Accommodation

Income, expenditure and fund balances for the biennium ended 31 December 2007

(Thousands of United States dollars)

	Housing		*Office premises*		*Support services related to Housing Loan Reserve*		*Total*	
	2006-2007	*2004-2005*	**2006-2007**	*2004-2005*	**2006-2007**	*2004-2005*	**2006-2007**	*2004-2005*
Income								
Rental income	**1 970**	1 584	**259**	431	**—**	15	**2 229**	2 030
Other income	**55**	112	**—**	1	**199**	176	**254**	289
Total income	**2 025**	**1 696**	**259**	**432**	**199**	**191**	**2 483**	**2 319**
Expenditure								
Repairs and Maintenance	**1 419**	816	**—**	—	**(4)**	22	**1 415**	838
Biennial support budget expenditure	**—**	—	**—**	—			**—**	—
Miscellaneous expenditure	**—**	—	**—**	—	**—**	—	**—**	—
Write-offs and miscellaneous provisions	**—**	—	**—**	—	**—**	—	**—**	—
Total expenditure	**1 419**	**816**	**—**	**—**	**(4)**	**22**	**1 415**	**838**
Excess (shortfall) of income over expenditure	**606**	**880**	**259**	**432**	**203**	**169**	**1 068**	**1 481**
Savings on prior biennium's obligations	**—**	—	**—**	15	**—**	—	**—**	15
Refunds to donors and transfers (to) from other funds	**—**	—	**—**	—	**—**	—	**—**	—
Fund balances, 1 January	**(1 295)**	(2 175)	**(1 591)**	(2 038)	1 383	**1 214**	(1 503)	**(2 999)**
Fund balances, 31 December	**(689)**	**(1 295)**	**(1 332)**	**(1 591)**	**1 586**	**1 383**	**(435)**	**(1 503)**

Schedule 6

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Schedule 6.2. Reserve for Field Accommodation

Assets, liabilities and reserves and fund balances as at 31 December 2007

(Thousands of United States dollars)

	Housing		*Office premises*		*Support services related to Housing Loan Reserve*		*Total*	
	2006-2007	*2004-2005*	**2006-2007**	*2004-2005*	**2006-2007**	*2004-2005*	**2006-2007**	*2004-2005*
Assets								
Accounts receivable and deferred charges								
Other accounts receivable and deferred charges	—	88	—	80	3	—	3	168
Long-term accounts receivable	350	436	—	—	—	—	350	436
Loans to Governments	806	806	—	—	—	—	806	806
Construction costs	16 349	16 348	26 569	26 568	—	—	42 918	42 916
Capitalized rehabilitation	690	982	—	—	1	1	691	983
Household Appliance Rental Scheme	—	—	—	—	—	—	—	—
Allowance for write-down	(3 627)	(3 632)	(6 000)	(6 000)	—	—	(9 627)	(9 632)
Total assets	**14 568**	**15 028**	**20 569**	**20 648**	**4**	**1**	**35 141**	**35 677**
Liabilities								
Unliquidated obligations	12	—	—	—	—	1	12	1
Accounts payable	90	139	12	15	—	5	102	159
Due to UNDP — regular resources by Reserve for Field Accommodations	(9 845)	(8 816)	13 954	14 476	(1 582)	(1 388)	2 527	4 272
Government advances for rehabilitation costs	—	—	—	—	—	—	—	—
Agency reimbursement of construction costs	—	—	7 935	7 748	—	—	7 935	7 748
Deferred income	—	—	—	—	—	—	—	—
Total liabilities	**(9 743)**	**(8 677)**	**21 901**	**22 239**	**(1 582)**	**(1 382)**	**10 576**	**12 180**

	Housing		Office premises		Support services related to Housing Loan Reserve		Total	
	2006-2007	2004-2005	**2006-2007**	2004-2005	**2006-2007**	2004-2005	**2006-2007**	2004-2005
Fund balance — authorized level	25 000	25 000	—	—	—	—	25 000	25 000
Unexpended resources	(689)	(1 295)	(1 332)	(1 591)	1 586	1 383	(435)	(1 503)
Total liabilities and fund balances	**14 568**	**15 028**	**20 569**	**20 648**	**4**	**1**	**35 141**	**35 677**

Schedule 6

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Schedule 6.3. Reimbursable support services

Income, expenditure and fund balances for the biennium ended 31 December 2007

(Thousands of United States dollars)

	Reimbursable support services related to non-UNDP activities		*Reimbursable support services related to programme activities financed by other resources*		*Reimbursable support services provided by IAPSO*		*Total reimbursable support services*	
	2006-2007	*2004-2005*	***2006-2007***	*2004-2005*	***2006-2007***	*2004-2005*	***2006-2007***	*2004-2005*
Income								
Interest income	**685**	179	**26 180**	10 196	**879**	116	**27 744**	10 491
Other income	**141 802**	99 176	**345 683**	261 647	**12 353**	12 299	**499 838**	373 122
Total income	**142 487**	**99 355**	**371 863**	**271 843**	**13 232**	**12 415**	**527 582**	**383 613**
Expenditure								
Biennial support budget — net	**138 834**	97 142	**318 685**	255 840	**12 312**	11 020	**469 831**	364 002
Total expenditure	**138 834**	**97 142**	**318 685**	**255 840**	**12 312**	**11 020**	**469 831**	**364 002**
Excess (shortfall) of income over expenditure	**3 653**	2 213	**53 178**	16 003	**920**	1 395	**57 751**	19 611
Savings on prior biennium's obligations	—	1 092	**1**	368	—	—	**1**	1 460
Transfer (to) of from reserves	—	—	**(19 000)**	(9 000)	—	—	**(19 000)**	(9 000)
Refunds to donors and transfers (to) or from other funds	**10 656**	4 926	**(5 504)**	(4 127)	**(316)**	—	**4 836**	799
Fund balances, 1 January	**12 106**	3 875	**163 063**	159 819	**9 452**	8 057	**184 621**	171 751
Fund balances, 31 December	**26 415**	**12 106**	**191 738**	**163 063**	**10 056**	**9 452**	**228 209**	**184 621**

Schedule 6

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Schedule 6.3. Reimbursable support services

Assets, liabilities and reserves and fund balances as at 31 December 2007

(Thousands of United States dollars)

	Reimbursable support services related to non-UNDP activities		*Reimbursable support services related to programme activities financed by other resources*		*Reimbursable support services provided by IAPSO*		*Total reimbursable support services*	
	2007	*2005*	***2007***	*2005*	***2007***	*2005*	***2007***	*2005*
Assets								
Cash	—	—	—	—	**25 287**	19 656	**25 287**	19 656
Government letters of credit and promissory notes	—	—	—	—	—	—	—	—
Operating funds provided to Governments	**1**	16	**47**	1	—	—	**48**	17
Operating funds provided to executing agents	—	—	**58**	—	—	—	**58**	—
Accounts receivable and deferred charges								
Due from core activities	**29 144**	16 056	**295 273**	245 868	**(14 950)**	(10 181)	**309 467**	251 743
Other accounts receivable and deferred charges	**246**	77	**30**	103	**72**	32 497	**348**	32 677
Other capital assets	—	—	—	—	—	—	—	—
Construction costs	—	—	—	—	—	—	—	—
Total assets	**29 391**	**16 149**	**295 408**	**245 972**	**10 409**	**41 972**	**335 208**	**304 093**
Liabilities								
Operating funds payable to Governments	—	—	—	—	—	—	—	—
Operating funds payable to executing agents	—	—	—	—	—	—	—	—
Unliquidated obligations	**1 583**	3 301	**4 024**	4 136	**21**	11	**5 628**	7 448
Accounts payable	**1 393**	742	**3 646**	1 773	**332**	32 509	**5 371**	35 024
Deferred income	—	—	—	—	—	—	—	—
Total liabilities	**2 976**	**4 043**	**7 670**	**5 909**	**353**	**32 520**	**10 999**	**42 472**
Operational reserve	—	—	**96 000**	77 000	—	—	**96 000**	77 000
Special capital resources	—	—	—	—	—	—	—	—

	Reimbursable support services related to non-UNDP activities		*Reimbursable support services related to programme activities financed by other resources*		*Reimbursable support services provided by IAPSO*		*Total reimbursable support services*	
	2007	*2005*	***2007***	*2005*	***2007***	*2005*	***2007***	*2005*
Unexpended resources	**26 415**	12 106	**191 738**	163 063	**10 056**	9 452	**228 209**	184 621
Total liabilities and fund balances	**29 391**	**16 149**	**295 408**	**245 972**	**10 409**	**41 972**	**335 208**	**304 093**

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Schedule 6.4. Special activities

Income, expenditure and fund balances for the biennium ended 31 December 2007

(Thousands of United States dollars)

		Support to UN Resident Coordinator		*Unified Coding System*		*Extrabudgetary support for special purposes*		*Disaster mitigation programme*		*Total special activities*	
		2006-2007	*2004-2005*	***2006-2007***	*2004-2005*	***2006-2007***	*2004-2005*	***2006-2007***	*2004-2005*	***2006-2007***	*2004-2005*
Income											
Contributions		**41 910**	20 098	—	—	**69 585**	54 061	**2 310**	2 005	**113 805**	76 164
Interest income		**960**	319	—	—	**115**	60	—	—	**1 075**	379
Other income		**835**	99	—	—	**114 046**	75 145	—	—	**114 881**	75 244
Total income		**43 705**	**20 516**	—	—	**183 746**	**129 266**	**2 310**	**2 005**	**229 761**	**151 787**
Expenditure											
Programme		—	—	—	—	**23 726**	14 409	—	—	**23 726**	14 409
Programme support to Resident Coordinator	Note 21 (a)	**35 079**	17 214	—	—	—	—	—	—	**35 079**	17 214
Development advisory services		—	—	—	—	**10 781**	7 564	—	—	**10 781**	7 564
Biennial support budget — net		—	—	—	72	**138 013**	89 157	**1 506**	1 936	**139 519**	91 165
Total expenditure		**35 079**	**17 214**	—	**72**	**172 520**	**111 130**	**1 506**	**1 936**	**209 105**	**130 352**
Excess (shortfall) of income over expenditure		**8 626**	**3 302**	—	**(72)**	**11 226**	**18 136**	**804**	**69**	**20 656**	**21 435**
Savings on prior biennium's obligations		—	46	—	—	**(29)**	466	—	—	**(29)**	512
Refunds to donors and transfers (to) from other funds		**274**	59	**(49)**	—	**3 854**	702	—	—	**4 079**	761
Fund balances, 1 January		**10 367**	6 960	**49**	121	**28 812**	9 508	**1 091**	1 022	**40 319**	17 611
Fund balances, 31 December		**19 267**	**10 367**	—	**49**	**43 863**	**28 812**	**1 895**	**1 091**	**65 025**	**40 319**

Schedule 6

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Schedule 6.4. Special activities

Assets, liabilities and fund balances as at 31 December 2007

(Thousands of United States dollars)

	Support to UN Resident Coordinator		Unified Coding System		Extrabudgetary support for special purposes		Disaster mitigation programme		Total special activities	
	2007	2005	**2007**	2005	**2007**	2005	**2007**	2005	**2007**	2005
Assets										
Government letters of credit and promissory notes	—	—	—	—	**1 755**	—	—	—	**1 755**	—
Operating funds provided to Governments	**13**	—	—	—	**508**	682	—	—	**521**	682
Operating funds provided to executing agents	**119**	—	—	—	**1**	1	—	—	**120**	1
Accounts receivable and deferred charges										
Due from core activities	**21 583**	11 856	**(2)**	47	**44 170**	29 414	**1 936**	1 114	**67 687**	42 431
Other accounts receivable and deferred charges	**2**	—	**5**	5	**384**	163	—	—	**391**	168
Total assets	**21 717**	**11 856**	**3**	**52**	**46 818**	**30 260**	**1 936**	**1 114**	**70 474**	**43 282**
Liabilities										
Operating funds payable to Governments	—	—	—	—	**1**	44	—	—	**1**	44
Operating funds payable to executing agents	—	—	—	—	—	—	—	—	—	—
Unliquidated obligations	**1 214**	1 356	—	—	**1 868**	1 404	**1**	—	**3 083**	2 760
Accounts payable	**1 236**	133	**3**	3	**1 086**	—	**40**	23	**2 365**	159
Deferred income	—	—	—	—	—	—	—	—	—	—
Total liabilities	**2 450**	**1 489**	**3**	**3**	**2 955**	**1 448**	**41**	**23**	**5 449**	**2 963**
Unexpended resources	**19 267**	10 367	—	49	**43 863**	28 812	**1 895**	1 091	**65 025**	40 319
Total liabilities and fund balances	**21 717**	**11 856**	**3**	**52**	**46 818**	**30 260**	**1 936**	**1 114**	**70 474**	**43 282**

Schedule 6

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Schedule 6.5.
Inter-Agency Procurement Services Office

Income, expenditure and fund balance for the biennium ended 31 December 2007

(Thousands of United States dollars)

	Trading activities	
	2006-2007	*2004-2005*
Income		
Procurement handling fees	9 142	9 782
Insurance income	776	518
Training fees	980	581
Sale of publications	—	—
Miscellaneous income	1 455	1 418
Interest income	879	116
Total income	**13 232**	**12 415**
Expenditure		
Post costs	7 032	5 461
General and operating expenses	5 280	5 559
Total expenditure	**12 312**	**11 020**
Net excess of income over expenditure	**920**	**1 395**
Fund balance, 1 January	9 452	8 057
Refunds to donors and transfers (to) or from other funds	(316)	—
Savings on prior biennium's obligations	—	—
Fund balance, 31 December	**10 056**	**9 452**
	Schedule 6.3	

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Schedule 6.6.
United Nations Volunteers Programme

Statement of accounts for the biennium ended 31 December 2007

(Thousands of United States dollars)

	United Nations Volunteers Programme	
	2006-2007	*2004-2005*
Income		
Voluntary contributions	12 323	10 412
Cost-sharing contributions	5 380	3 537
Sub-trust funds contributions	10 627	16 854
Full funding arrangements	13 498	18 048
United Nations Joint Venture	33 814	12 717
Subtotal	**75 642**	**61 568**
Interest income	5 750	1 991
Reimbursable support services	19 656	15 648
Other income	18	90
Total income	**101 066**	**79 297**
Expenditure		
Programme		
Regular resources	11 300	11 176
Cost-sharing	3 325	3 121
Sub-trust funds	11 950	10 708
Full funding arrangements	11 373	11 133
United Nations joint ventures	13 815	11 881
Subtotal	**51 763**	**48 019**
Programme Support		
Regular resources	(3)	12
Cost-sharing	332	302
Sub-trust funds	1 171	1 106
Full funding arrangements	1 057	1 004
United Nations joint ventures	11 862	6 544
Subtotal	**14 419**	**8 968**

	United Nations Volunteers Programme	
	2006-2007	*2004-2005*
Biennial support budget — net		
Reimbursable support services costs	15 685	12 840
Other expenditure	(113)	155
Total expenditure	**81 754**	**69 982**
Excess (shortfall) of income over expenditure	**19 312**	**9 315**
Savings on prior biennium's obligations	—	—
Transfers to/from reserves	—	—
Refunds to donors and transfers to/from other funds	(838)	(4 095)
Fund balances, 1 January	54 435	49 215
Fund balances, 31 December	**72 909**	**54 435**
Assets		
Cash	—	1 958
Investments	71 149	47 848
Operating funds provided to executing agents	70	48
Due from UNDP — regular resources	—	895
Other accounts receivable and deferred charges	8 064	9 977
Accrued interest	1 287	818
Other capital assets	—	—
Total assets	**80 570**	**61 544**
Liabilities		
Operating fund payable to executing agent	—	—
Unliquidated obligations	918	1 300
Accounts payable	6 278	5 103
Due to UNDP — regular resources	43	—
Reserve for Medical Evacuation	422	706
Total liabilities	**7 661**	**7 109**
Reserves and fund balances		
Unexpended resources		
Regular resources	25 526	21 029
Cost-sharing	4 550	2 709
Sub-trust funds	18 192	18 225
Full funding arrangements	13 787	12 942
United Nations joint ventures	(1 248)	(7 912)
Subtotal	**60 807**	**46 993**

	United Nations Volunteers Programme	
	2006-2007	2004-2005
Reimbursable support services	12 102	7 442
Total unexpended resources	**72 909**	**54 435**
Total reserves and fund balances, 31 December	**72 909**	**54 435**
Total liabilities, reserves and fund balances	**80 570**	**61 544**

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Schedule 6.7. Status of Sub-Trust Funds established by UNDP

Schedule of income, expenditure and fund balances for the biennium ended 31 December 2007

(Thousands of United States dollars)

		Income			*Expenditure*				
Name of Sub-Trust Fund	*Fund balances as at 1 January 2006*	*Contributions*	*Other*	*Total*	*Project costs*	*Other costs*	*Total*	*Refunds to donors and transfers to/from other Funds — net*	*Fund balances as at 31 December 2007*
Sub-trust Funds — United Nations Volunteers Programme									
Donor: Japan									
Asia Youth Volunteers Programme	—	650	42	692	32	3	35	—	657
Donor: Czech Republic									
Czech Republic Internship	—	167	5	172	84	9	93	—	79
Donor: Republic of Korea									
Republic of Korea Trust Fund for UNVs Training	281	100	29	129	70	7	77	—	333
Donor: France									
Government of France Support to the Development of Volunteerism	168	119	26	145	74	7	81	132	364
Donor: Japan									
Assistance to Development of Basic Education in Northwestern Provinces Cambodia	3	—	—	—	—	—	—	(4)	(1)
Donor: Switzerland									
Peacebuilding and Peacekeeping Trust Fund	—	—	—	—	—	—	—	—	—
Donor: The Netherlands									
SNV Support to the UNV Programme in LAO PDR (SUNV)	93	400	23	423	273	11	284	2	234

Name of Sub-Trust Fund	Fund balances as at 1 January 2006	Income			Expenditure			Refunds to donors and transfers to/from other Funds — net	Fund balances as at 31 December 2007
		Contributions	Other	Total	Project costs	Other costs	Total		
Donor: Argentina									
White Helmets Initiative	7	—	—	—	—	—	—	(8)	(1)
Donor: Belgium									
Technical Assistance to the Centre for Human Rights in Cambodia	(3)	—	—	—	—	—	—	(1)	(4)
Donor: Japan									
UNV/Japan Trust Fund for Multisectoral Support for Humanitarian Activities	134	—	12	12	8	1	9	(4)	133
Donor: France									
White Helmets Initiative	167	334	17	351	335	34	369	8	157
Donor: Japan									
Support for Human Relief	—	—	—	—	—	—	—	—	—
Donor: Italy									
Italian National Participation in UNV Programme Activities	239	1 518	46	1 564	361	36	397	1	1 407
Donor: Japan									
Multisectoral Support to Humanitarian Assistance, Peacekeeping Operations, Rehabilitation Activities and Sustainable Human Development	(12)	—	1	1	(38)	—	(38)	—	27
Donor: Japan									
Promotion of UNV in Japan	195	—	14	14	247	25	272	166	103
Donor: Japan									
UNV Multisectoral Support for Humanitarian Assistance Peacekeeping Operation Rehabilitation	391	—	38	38	13	1	14	(12)	403

Name of Sub-Trust Fund	Fund balances as at 1 January 2006	Income			Expenditure			Refunds to donors and transfers to/from other Funds — net	Fund balances as at 31 December 2007
		Contributions	Other	Total	Project costs	Other costs	Total		
Donor: Italy									
UNISTAR	907	1 518	76	1 594	1 028	102	1 130	—	1 371
Donor: Japan									
UNV Multisectoral Support for Humanitarian Assistance Peacekeeping Operation Rehabilitation	517	—	38	38	185	19	204	(17)	334
Donor: Italy									
UNV Internship Scheme	1 078	2 209	114	2 323	1 060	106	1 166	—	2 235
Donor: Japan									
Japan 2000 UNV Multisectoral Support for Humanitarian Assistance, Peacekeeping Operations, Rehabilitation Activities and Sustainable Human Development	81	—	5	5	31	3	34	(6)	(46)
Donor: The United Kingdom									
UNV Assistance to promote community-based confidence-building measures in Georgia	89	—	9	9	—	—	—	—	98
Donor: Japan									
Residual Funds	339	—	19	19	178	17	195	(9)	154
Donor: Japan									
Interest Income	445	—	47	47	—	—	—	27	519
Donor: Japan									
UNV Multisectoral Support for Humanitarian Assistance, Peacekeeping Operations, Rehabilitation Activities and Sustainable Human Development — 2001	408	—	33	33	114	19	133	(15)	293

Name of Sub-Trust Fund	Fund balances as at 1 January 2006	Income			Expenditure			Refunds to donors and transfers to/from other Funds — net	Fund balances as at 31 December 2007
		Contributions	Other	Total	Project costs	Other costs	Total		
Donor: Italy									
Support to the International Year of Volunteers (IYV) 2001 Activities	1	—	—	—	—	—	—	(1)	—
Donor: Sweden									
UNV assistance to promote community-based confidence-building measures in Georgia	—	—	—	—	—	—	—	—	—
Donor: Japan									
UNV Multisectoral Support for Humanitarian Assistance, Peacekeeping Operations Rehabilitation and Sustainable Human Development — 2002	639	—	39	39	310	35	345	(29)	304
Donor: Japan									
UNV Multisectoral Support for Humanitarian Assistance, Peacekeeping Operations, Rehabilitation Activities and Sustainable Human Development	1 252	—	84	84	451	41	492	(44)	800
Donor: Switzerland									
Swiss Agency for Development and Cooperation/ MoFA — Intern Programme	317	270	33	303	284	23	307	6	319
Donor: Switzerland									
Swiss Political Affairs Division/MoFA — Intern Programme	283	183	19	202	228	18	246	—	239

Name of Sub-Trust Fund	Fund balances as at 1 January 2006	Income			Expenditure			Refunds to donors and transfers to/from other Funds — net	Fund balances as at 31 December 2007
		Contributions	Other	Total	Project costs	Other costs	Total		
Donor: Belgium									
Direction Générale de la Coopération au Développement/MoFA — Intern Programme	540	349	30	379	252	31	283	44	680
Donor: European Commission									
EU/EVS Building up regional integration and social cohesion in the Balkans	20	132	1	133	112	22	134	4	23
Donor: Canada									
Canada Corps/ CIDA Trust Fund	631	—	22	22	516	43	559	—	94
Donor: Ireland									
Irish Aid/ MoFA — Intern Programme	1 013	—	75	75	594	48	642	614	1 060
Donor: Japan									
UNV Support to Tsunami Rehabilitation and Recovery in Indonesia, Sri Lanka, Maldives and Regional Initiative for Disaster Risk Management	3 977	—	238	238	2 673	275	2 948	—	1 267
Donor: Various									
UNV Generic Trust Fund for Tsunami Programme	3	—	—	—	—	—	—	(4)	(1)
Donor: Germany									
Relief, Recovery, Rehabilitation and Preparedness Support to Tsunami-affected Regions	2 103	—	23	23	1 804	181	1 985	146	287
Donor: Czech Republic									
UNV Czech Republic Tsunami Programme	181	—	8	8	120	12	132	—	57

Name of Sub-Trust Fund	*Fund balances as at 1 January 2006*	*Income*			*Expenditure*			*Refunds to donors and transfers to/from other Funds — net*	*Fund balances as at 31 December 2007*
		Contributions	*Other*	*Total*	*Project costs*	*Other costs*	*Total*		
Donor: Japan									
Japan Trust Fund 2004 for UNV Multisectoral support for activities aimed at fostering development, providing humanitarian relief and reducing poverty	1 738	—	147	147	400	33	433	(52)	1 400
Donor: Japan									
UNV Multisectoral support for activities aimed at fostering development, providing humanitarian relief and reducing poverty	—	1 434	139	1 573	151	9	160	—	1 413
Donor: Japan									
UNV Multisectoral support for activities aimed at fostering development, providing humanitarian relief and reducing poverty	—	1 244	65	1 309	—	—	—	—	1 309
Total	**18 225**	**10 627**	**1 517**	**12 144**	**11 950**	**1 171**	**13 121**	**944**	**18 192**
		Schedule 6.6			Schedule 6.6				

United Nations Development Programme
Biennium 2006-2007

Schedule 6.8. United Nations Volunteers

Summary of projects financed under full funding arrangements by donor Governments and institutions

(Thousands of United States dollars)

Donor	*Balances as at 1 January 2006*	*Contributions*	*Other income*	*Project costs*	*Programme support costs*	*Refunds to donors and transfers*	*Balances as at 31 December 2007*
Governments							
Australia	12	—	1	—	—	(12)	1
Austria	67	137	8	120	12	—	80
Belgium (Phase 1)	(6)	—	—	—	—	6	—
Belgium (Phase 2)	191	2 573	52	1 805	180	(548)	283
Czech Republic	186	319	17	318	32	—	172
Denmark	246	621	23	409	40	22	463
Finland (Phase 1)	919	—	89	68	7	—	933
Finland (Phase 2)	2 807	2 837	278	2 597	255	—	3 070
Germany	112	579	4	506	52	(84)	53
Ireland	662	2 334	105	905	88	(614)	1 494
Japan (Phase 1)	2	—	—	—	—	(2)	—
Japan (Phase 2)	818	881	61	1 087	110	6	569
Luxembourg	434	379	40	347	35	—	471
Netherlands	241	—	7	1	—	(245)	2
Norway	386	503	45	318	32	—	584
Spain (Phase 1)	469	—	21	—	—	(491)	(1)
Spain (Phase 2)	400	—	18	—	—	(418)	—
Spain (Phase 3)	1 090	—	79	—	—	(1 139)	30
Sweden (Phase 1)	(9)	—	—	—	—	10	1
Sweden (Phase 2)	96	510	38	238	22	(20)	364
Switzerland (Phase 1)	122	—	11	100	9	61	85
Switzerland (Phase 2)	112	—	1	42	4	(66)	1
Japan (AMUDA)	—	—	—	—	—	—	—
Spain (Phase 4)	2 071	(24)	193	1 059	103	2 048	3 126

Donor	*Balances as at 1 January 2006*	*Contributions*	*Other income*	*Project costs*	*Programme support costs*	*Refunds to donors and transfers*	*Balances as at 31 December 2007*
KOICA	787	390	88	323	27	—	915
Poland	—	100	1	—	—	—	101
Cook Islands	—	9	—	7	1	—	1
Terakoya 2007	—	502	5	115	11	—	381
Total	**12 215**	**12 650**	**1 185**	**10 365**	**1 020**	**(1 486)**	**13 179**
Institutions							
UNISTAR assignments	(2)	—	—	—	—	2	—
WFP HIV/AIDS	272	474	31	699	9	—	69
World Food Programme — Pakistan	—	19	—	16	1	—	2
United Kingdom High Commission, Solomon Islands	—	—	—	—	—	—	—
APO (JPN)	12	69	2	35	4	—	44
Min. de la Santé	23	1	1	12	1	—	12
SOLOMON ISL III	16	—	—	13	1	—	2
NCA SUPPORT TO UNV EAST EUROPE	12	44	1	37	4	—	16
LUXEMBOURG DEVT	72	—	2	52	5	—	17
Ad hoc Burkina Faso	—	80	2	53	5	—	24
Water and Sanitation for the Urban Poor	—	2	—	2	—	—	—
New Zealand AID	—	77	4	32	3	—	46
International Strategy for Disaster Reduction	—	19	—	16	2	—	1
ISDR — Kenya	—	54	1	31	1	—	23
Medicus Mundi	—	9	—	6	1	—	2
Water Aid Madagascar	—	—	—	—	—	—	—
Ad hoc arrangements	322	—	32	4	—	—	350
Total	**727**	**848**	**76**	**1 008**	**37**	**2**	**608**
Grand total	**12 942**	**13 498**	**1 261**	**11 373**	**1 057**	**(1 484)**	**13 787**

Schedule 6.6

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Schedule 7. Funds established by the General Assembly and administered by UNDP

Statement of accounts for the biennium ended 31 December 2007

(Thousands of United States dollars)

	United Nations Development Fund for Women		*United Nations Capital Development Fund*		*Total Funds*	
	2006-2007	*2004-2005*	*2006-2007*	*2004-2005*	*2006-2007*	*2004-2005*
Income						
Voluntary contributions	68 781	45 241	29 458	26 737	98 389	71 978
Cost Sharing contributions	82 577	47 661	8 484	7 508	90 911	55 169
Sub-trust funds contributions — Schedule 7.1	24 518	9 866	12 537	8 949	37 055	18 815
Subtotal	**175 876**	**102 768**	**50 479**	**43 194**	**226 355**	**145 962**
Interest Income	5 057	1 474	5 471	2 977	10 528	4 451
Reimbursable Support Services	11 037	4 334	3 096	2 993	14 133	7 327
Other Income	1 133	387	1 501	3 166	2 634	3 553
Total income	**193 103**	**108 963**	**60 547**	**52 330**	**253 650**	**161 293**
Expenditure						
Programme						
Regular Resources	39 360	28 862	36 217	26 509	75 577	55 371
Cost Sharing	65 059	32 068	8 176	7 933	73 235	40 001
Sub-trust funds — Schedule 7.1	10 291	12 100	10 038	8 228	20 329	20 328
Subtotal	**114 710**	**73 030**	**54 431**	**42 670**	**169 141**	**115 700**
Biennial Support Budget — Net						
Management and Administrative Costs	6 898	5 654	—	6 385	6 898	12 039
Technical Support Costs	8 999	7 410	—	5 678	8 999	13 088
Reimbursable Support Services Costs	4 161	2 098	2 173	2 661	6 334	4 759
Subtotal	**20 058**	**15 162**	**2 173**	**14 724**	**22 231**	**29 886**

	United Nations Development Fund for Women		United Nations Capital Development Fund		Total Funds	
	2006-2007	2004-2005	2006-2007	2004-2005	2006-2007	2004-2005
Other Expenditure	—	—	9	173	9	173
Total expenditure	**134 768**	**88 192**	**56 613**	**57 567**	**191 381**	**145 759**
Excess (shortfall) of income over expenditure	**58 335**	**20 771**	**3 934**	**(5 237)**	**62 269**	**15 534**
Savings on prior biennium's obligations	—	—	—	—	—	—
Transfer to/from Reserves	(6 400)	400	—	—	(6 400)	400
Refunds to donors and transfers to/from Other Funds	(226)	(225)	(150)	(369)	(376)	(594)
Fund balances, 1 January	46 037	25 091	37 498	43 104	83 535	68 195
Fund balances, 31 December	**97 746**	**46 037**	**41 282**	**37 498**	**139 028**	**83 535**

United Nations Development Programme
Biennium 2006-2007

Schedule 7. Funds established by the General Assembly and administered by UNDP

Statement of accounts for the biennium ended 31 December 2007

(Thousands of United States dollars)

	United Nations Development Fund for Women		*United Nations Capital Development Fund*		*Total funds*	
	2007	*2005*	*2007*	*2005*	*2007*	*2005*
Assets						
Cash	1 557	178	3 402	702	4 959	880
Investments — Schedule 8	128 320	65 768	60 946	53 229	189 266	118 997
Loans to Governments	—	—	—	—	—	—
Operating funds provided to Governments	51	51	—	—	51	51
Operating funds provided to Executing agents	697	—	71	384	768	384
Due from UNDP — Regular Resources	—	—	3 191	6 838	3 191	6 838
Other accounts receivable and deferred charges	2 762	2 887	514	2 151	3 276	5 038
Accrued interest	1 497	661	801	686	2 298	1 347
Total assets	**134 884**	**69 545**	**68 925**	**63 990**	**203 809**	**133 535**
Liabilities						
Operating Funds payable to Governments	131	131	—	—	131	131
Operating Funds payable to Executing agents	—	225	718	1 313	718	1 538
Unliquidated Obligations	2 901	2 745	1 349	1 024	4 250	3 769
Accounts Payable	4 689	1 402	2 976	1 555	7 665	2 957
Due to UNDP — Regular Resources	15 317	11 305	—	—	15 317	11 305
Deferred Income	—	—	—	—	—	—
Total liabilities	**23 038**	**15 808**	**5 043**	**3 892**	**28 081**	**19 700**
Reserves and fund balances						
Operational Reserve	14 100	7 700	22 600	22 600	36 700	30 300
Unexpended Resources						
Regular Resources	24 312	12 725	25 224	25 259	49 536	37 984

	United Nations Development Fund for Women		*United Nations Capital Development Fund*		*Total funds*	
	2007	*2005*	*2007*	*2005*	*2007*	*2005*
Cost Sharing	41 789	23 660	5 587	5 337	47 376	28 997
Sub-trust funds	19 074	3 862	7 961	5 314	27 035	9 157
Subtotal	**85 175**	**40 247**	**38 772**	**35 910**	**123 947**	**76 157**
Reimbursable Support Services	12 571	5 790	2 510	1 588	15 081	7 378
Total Unexpended Resources	**97 746**	**46 037**	**41 282**	**37 498**	**139 028**	**83 535**
Total reserves and fund balances, 31 December	**111 846**	**53 737**	**63 882**	**60 098**	**175 728**	**113 835**
Total liabilities, reserves and fund balances	**134 884**	**69 545**	**68 925**	**63 990**	**203 809**	**133 535**

The accompanying notes are an integral part of the financial statements

United Nations Development Programme
Biennium 2006-2007

Schedule 7.1. Status of sub-trust funds and funds established by the General Assembly and administered by UNDP

Schedule of income, expenditure and fund balances for the biennium ended 31 December 2007

(Thousands of United States dollars)

		Income			*Expenditure*				
Name of sub-trust fund	*Fund balances as at 1 January 2006*	*Contributions*	*Other*	*Total*	*Project costs*	*Other costs*	*Total*	*Refunds to donors and transfers to/from other funds — net*	*Fund balances as at 31 December 2007*
Fund Manager: UNCDF									
1. United Nations Capital Development Fund									
Donor: Norway									
Environmental Guidelines Conference	—	—	—	—	—	—	—	—	—
Donor: The Netherlands									
Grameen Deep Tubewell Irrigation Project	—	—	—	—	—	—	—	—	—
Donor: Norway									
Production of School Furniture	—	—	—	—	—	—	—	—	—
Donor: Switzerland									
Suspension Bridges (Phase II)	—	—	—	—	—	—	—	—	—
Donor: Switzerland									
Suspension Bridges (Phase III)	—	—	—	—	—	—	—	—	—
Donor: Belgium									
Irrigated Agriculture in Farfar Plain	—	—	—	—	—	—	—	—	—
Donor: The Netherlands									
Wholesale Fruit and Vegetable Market in Al Husainiah	16	—	1	1	—	—	—	(16)	1

Name of sub-trust fund	Fund balances as at 1 January 2006	Income			Expenditure			Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December 2007
		Contributions	Other	Total	Project costs	Other costs	Total		
Donor: Belgium									
Aménagement et Gestion des Terroirs de la Plaine Seno — Gondo	6	—	(6)	(6)	—	—	—	—	—
Donor: Australia									
Rural Infrastructure Development Fund Phase I	—	—	—	—	—	—	—	—	—
Donor: Belgium									
Projet d'appui aux communes rurales du cerde de Tombouctou — Mali	65	—	7	7	—	—	—	—	72
Donor: Netherlands									
Support to Decentralized Planning and Finance in Nampula	135	—	—	—	—	—	—	(134)	1
Donor: Belgium									
Projet d'appui au Développement Local de la Région de Mayahi	32	1 102	30	1 132	1 050	—	1 050	—	114
Donor: Belgium									
Projet d'appui au Développement Local de la Région de N'guigmi	170	5	3	8	174	—	174	—	4
Donor: World Bank									
Partnership Agreement between IBRD for the Consultative Group to Assist the Poorest and UNCDF	1	—	—	—	—	—	—	—	1
Donor: Belgium									
Anseba Local Development Fund	211	1 497	(28)	1 469	1 331	—	1 331	—	349

Name of sub-trust fund	Fund balances as at 1 January 2006	Income			Expenditure			Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December 2007
		Contributions	Other	Total	Project costs	Other costs	Total		
Donor: Luxembourg									
Programme d'appui à la décentralization en milieu rural	461	—	40	40	68	—	68	—	433
Donor: Luxembourg									
Projet d'appui aux Communes Rurales de Mopti	362	—	33	33	43	—	43	—	352
Donor: Belgium									
Appui au Développement Communal et aux Initiatives	402	971	56	1 027	1 274	—	1 274	—	155
Donor: Japan									
District Development Programme 2 — Gender Mainstreaming Component	183	—	6	6	142	—	142	—	47
Donor: DFID									
Support to follow-up of 1999 External Evaluation	—	—	—	—	—	—	—	—	—
Donor: Belgium									
Projet de Développement des Ressources Agro-pastorales de la Province du Namentenga au Burkina Faso (PAPNA)	393	668	37	705	734	—	734	—	364
Donor: CGAP (Consultative Group to Assist the Poor)									
Joint Donor Training Initiative	109	—	61	61	35	—	35	—	135
Donor: FBS									
Belgium — Independent Impact Assessment	2	—	(1)	(1)	—	—	—	—	1

Name of sub-trust fund	Fund balances as at 1 January 2006	Income			Expenditure			Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December 2007
		Contributions	Other	Total	Project costs	Other costs	Total		
Donor: UNFIP									
International Year of Microcredit 2005	295	—	(166)	(166)	129	—	129	—	—
Donor: various									
IMIS closed trust fund projects	161	—	(162)	(162)	—	—	—	—	(1)
Donor: FBS									
Belgium — Projet d'appui au développement communautaire en province de Byumba — Rwanda	182	1 545	47	1 592	1 513	—	1 513	—	261
Donor: Luxembourg									
Mali project	681	—	65	65	45	—	45	—	701
Donor: Luxembourg									
Fond d'appui a la Gouvernance Environnementale Locale — Fagel	—	—	—	—	—	—	—	—	—
Donor: France									
Projet d'appui a la décentralization et au développement Local — Mauritanie	505	1 455	60	1 515	909	—	909	—	1 111
Donor: France									
Projet d'appui à la commune Urbaine de Diffa — Niger	432	1 143	56	1 199	681	—	681	—	950
Donor: CIDA									
Canada — Appui a la Gouvernance Locale dans le department du Nord-Est en Haiti	510	941	42	983	1 177	—	1 177	—	316

Name of sub-trust fund	Fund balances as at 1 January 2006	Income			Expenditure			Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December 2007
		Contributions	Other	Total	Project costs	Other costs	Total		
Donor: FBS									
Belgium — Collectivités Territoriales et Développement local a Tombouctou et à Mopti — Mali	—	1 822	49	1 871	154	—	154	—	1 717
Donor: Austria									
Uganda project Activity	—	121	12	133	—	—	—	—	133
Donor: IFAD									
GM Activity	—	124	21	145	93	—	93	—	52
Donor: Luxembourg									
United Nations Advisory	—	128	7	135	53	—	53	—	82
Donor: UNFIP									
United Nations Advisory	—	700	19	719	318	—	318	—	401
Donor: Belgium Survival Fund									
Evaluation	—	154	6	160	115	—	115	—	45
Donor: Switzerland									
Contributions to Dakar Conference	—	61	5	66	—	—	—	—	66
Donor: Sweden									
United Nations Advisory Group	—	100	1	101	—	—	—	—	101
Subtotal	**5 314**	**12 537**	**298**	**12 835**	**10 038**	**—**	**10 038**	**(150)**	**7 961**
		Schedule 7			Schedule 7				

Name of sub-trust fund	Fund balances as at 1 January 2006	Income			Expenditure			Refunds to donors and transfers to/from other funds - net	Fund balances as at 31 December 2007
		Contributions	Other	Total	Project costs	Other costs	Total		
Fund Manager: UNIFEM									
2. United Nations Development Fund for Women									
Donor: Japan									
Contribution to the Centre for Social Development and Humanitarian Affairs	225	—	22	22	—	—	—	—	247
Donor: Various									
Trust Fund for the Elimination of Violence against Women	2 120	19 543	748	20 291	5 609	—	5 609	—	16 802
Donor: Belgium									
Strengthening Economic Governance: Applied Gender Analysis to Government Budgets	417	1 604	63	1 667	1 629	—	1 629	—	455
Donor: EEC									
Local Level Gender Responsive Budget Initiative	92	—	5	5	41	—	41	—	56
Donor: EU									
From Beijing +10 to the Review of the Millennium Declaration	5	78	5	83	78	—	78	—	10
Donor: Sweden									
Capacity-Building Support for Women's Peace Activities in Burundi	7	—	—	—	(2)	—	(2)	(7)	2

Name of sub-trust fund	Fund balances as at 1 January 2006	Income			Expenditure			Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December 2007
		Contributions	Other	Total	Project costs	Other costs	Total		
Donor: Belgium									
African Women for Conflict Resolution and Peace (Phase II): Engendering the Mainstream Peacebuilding and Mediation Processes in Burundi	—	—	—	—	—	—	—	—	—
Donor: The Netherlands									
African Women for Conflict Resolution and Peace (Phase II): Engendering the Mainstream Peacebuilding and Mediation Processes in Eastern and Central Africa	7	—	—	—	—	—	—	(6)	1
Donor: Denmark									
Credit Scheme for Productive Activities of Women in the United Republic of Tanzania	—	—	—	—	—	—	—	—	—
Donor: Sweden									
United Nations Consolidated Inter-Agency Appeal for Persons Affected by the Crisis in Rwanda	—	—	—	—	—	—	—	—	—
Donor: Sweden									
Support to the United Nations Inter-agency Appeals for Somalia 2002 — Enhancing Civil Protection in Somalia	17	—	2	2	—	—	—	—	19

Name of sub-trust fund	Fund balances as at 1 January 2006	Income			Expenditure			Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December 2007
		Contributions	Other	Total	Project costs	Other costs	Total		
Donor: Belgium									
Support to the Afghan Ministry of Women's Affairs	687	636	36	672	1 209	—	1 209	—	150
Donor: EEC									
Post-Beijing Follow-up Phase II	6	—	1	1	1	—	1	—	6
Donor: EEC									
Assistance Programme for Women's Empowerment in Lebanon Reproductive Health and Economic Empowerment	1	—	—	—	—	—	—	—	1
Donor: EEC									
Post-Beijing follow-up in Western Asia	—	—	—	—	—	—	—	—	—
Donor: UNFIP									
A Life of Violence — Reduction of Violence against Women/Shea butter Production in Burkina Faso	200	112	24	136	191	—	191	—	145
Donor: Sweden									
Women — Environment and Development	2	—	—	—	—	—	—	—	2
Donor: EEC EU Trust Fund in Senegal	76	—	4	4	46	—	46	—	34
Donor: EEC									
Building Capacity and Improving Accountability for Gender Equality in Development, Peace and Security	—	1 854	68	1 922	1 064	—	1 064	—	858

Name of sub-trust fund	Fund balances as at 1 January 2006	Income			Expenditure			Refunds to donors and transfers to/from other funds — net	Fund balances as at 31 December 2007
		Contributions	*Other*	*Total*	*Project costs*	*Other costs*	*Total*		
Donor: EEC									
Aid Effectiveness Agenda: Promotion of the empowerment of women and girls in the context of sexual and reproductive health, violence against women and HIV/AIDS	—	228	9	237	21	—	21	—	216
Donor: EEC									
Promotion empowerment of women and girls in developing countries through introduction of health technologies and debate on HPV vaccine against cervical cancer	—	358	6	364	340	—	340	—	24
Donor: Belgium									
Promoting Women's Role in Peacebuilding and Dialogue in Northern Iraq	—	105	5	110	64	—	64	—	46
Subtotal	**3 862**	**24 518**	**998**	**25 516**	**10 291**	**—**	**10 291**	**(13)**	**19 074**
		Schedule 7			Schedule 7				
Total sub-trust funds	**9 176**	**37 055**	**1 296**	**38 351**	**20 329**	**—**	**20 329**	**(163)**	**27 035**

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Schedule 7.2. Funds Established by the General Assembly and Administered by UNDP

Biennial support budget for the biennium ended 31 December 2007

(Thousands of United States dollars)

	Revised appropriations 2006-2007	*2006-2007 expenditure*			*Unencumbered balance 31 December 2007*	*Expenditure 2004-2005*
		Disbursements	*Unliquidated obligations*	*Total*		
United Nations Development Fund for Women						
Management and Administrative Costs	7 064	6 985	(87)	6 898	166	5 654
Technical Support Costs	9 311	9 160	(161)	8 999	312	7 410
	16 375	**16 145**	**(248)**	**15 897**	**478**	**13 064**
Reimbursable Support Services Costs	3 800	4 161	—	4 161	(361)	2 098
Total	**20 175**	**20 306**	**(248)**	**20 058**	**117**	**15 162**
				(Schedule 7)		(Schedule 7)

The accompanying notes are an integral part of the financial statements.

United Nations Development Programme
Biennium 2006-2007

Schedule 8. Investments as at 31 December

(Thousands of United States dollars)

	2007	*2005*
Regular resources (excluding After-Service Health Insurance)		
Interest bearing current accounts	—	19 459
Time Deposit	2 250 427	1 380 550
Certificates of Deposit/Commercial Paper/Bank	1 435 001	536 700
Bond/Note (callable)	601 377	871 134
Other Investments	—	—
Money Market	264 269	249 368
Sweep Investments	76 454	12 452
Total	**4 627 528**	**3 069 663**
Regular Resources — Reserve for After-Service Health Insurance		
Interest bearing current accounts	—	—
Time Deposit	74 000	20 000
Certificates of Deposit/Commercial Paper/Bank	82 000	30 000
Bond/Note (callable)	82 761	117 431
Other Investments	—	—
Money Market	29 170	3 422
Sweep Investments	—	—
Total	**267 931**	**170 853**
Total Regular Resources — Statement II.1	**4 895 459**	**3 240 516**
United Nations Volunteers Programme		
Interest bearing current accounts	—	—
Time Deposit	62 000	20 000
Certificates of Deposit/Commercial Paper/Bank	5 000	15 000
Bond/Note (callable)	—	7 969
Other Investments	—	—
Money Market	4 149	4 879
Sweep Investments	—	—
Total — Schedule 6.6	**71 149**	**47 848**
Trust Funds		
Trust Fund to Combat Desertification and Drought (UNSO)		
Interest bearing current accounts	—	(17)
Time Deposit	—	—
Certificates of Deposit/Commercial Paper/Bank	—	—

	2007	*2005*
Bond/Note (callable)	47	46
Other Investments	—	—
Money Market	—	—
Sweep Investments	—	—
Total — Schedule 5.2	**47**	**29**
Trust Fund for the Global Environment Facility (GEF)		
Interest bearing current accounts	1	2 932
Time Deposit	135 000	134 000
Certificates of Deposit/Commercial Paper/Bank	110 000	40 000
Bond/Note (callable)	—	10 041
Other Investments	—	—
Money Market	68 354	13 154
Sweep Investments	—	—
Total — Schedule 5.2	**313 355**	**200 127**
Multilateral Fund for the Implementation of the Montreal Protocol		
Interest bearing current accounts	2	1
Time Deposit	45 000	40 000
Certificates of Deposit/Commercial Paper/Bank	25 000	10 000
Bond/Note (callable)	12 503	58 384
Other Investments	—	—
Money Market	4 684	2 721
Sweep Investments	—	—
Total — Schedule 5.2	**87 189**	**111 106**
Capacity 21 Trust Fund		
Interest bearing current accounts	—	1
Time Deposit	—	—
Certificates of Deposit/Commercial Paper/Bank	—	5 000
Bond/Note (callable)	—	2 000
Other Investments	—	—
Money Market	—	2 658
Sweep Investments	—	—
Total — Schedule 5.2	**—**	**9 659**
UNDP Fund for the Programme of Assistance to the Palestinian People		
Interest bearing current accounts	1	3
Time Deposit	—	—
Certificates of Deposit/Commercial Paper/Bank	—	—
Bond/Note (callable)	—	2 046
Other Investments	—	—

	2007	*2005*
Money Market	3 012	1 014
Sweep Investments	—	—
Total — Schedule 5.2	**3 013**	**3 063**
UNDP Trust Fund for Rwanda		
Interest bearing current accounts	—	1
Time Deposit	—	—
Certificates of Deposit/Commercial Paper/Bank	—	—
Bond/Note (callable)	—	—
Other Investments	—	—
Money Market	—	—
Sweep Investments	—	—
Total — Schedule 5.2	**—**	**1**
Fonds fiduciare du PNUD concernant l'organisation pour l'harmonisation en Afrique du droit des affaires (OHADA TF)		
Interest bearing current accounts	—	—
Time Deposit	—	1 987
Certificates of Deposit/Commercial Paper/Bank	—	—
Bond/Note (callable)	—	—
Other Investments	—	—
Money Market	—	—
Sweep Investments	—	—
Total	**—**	**1 987**
Perez-Guerrero Trust Fund for Economic and Technical Cooperation among Developing Countries		
Interest bearing current accounts	1	1
Time Deposit	3 200	—
Certificates of Deposit/Commercial Paper/Bank	—	—
Bond/Note (callable)	3 520	6 589
Other investments	—	—
Money Market	152	77
Sweep Investments	—	—
Total	**6 873**	**6 667**
UNDP Trust Fund for International Partnership		
Interest bearing current accounts	3	1
Time Deposit	5 000	—
Certificates of Deposit/Commercial Paper/Bank	—	—
Bond/Note (callable)	—	1 023
Other Investments	—	—

	2007	*2005*
Money Market	4 291	11 124
Sweep Investments	—	—
Total	**9 294**	**12 148**
UNDP Trust Fund for the Iraq Programme		
Interest bearing current accounts	—	—
Time Deposit	—	—
Certificates of Deposit/Commercial Paper/Bank	—	—
Bond/Note (callable)	—	—
Other Investments	—	—
Money Market	—	—
Sweep Investments	—	—
Total — Schedule 5.2	—	—
Total Trust Funds	**419 771**	**344 747**

Statement II.2

Funds		
United Nations Capital Development Fund		
Interest bearing current accounts	—	—
Time Deposit	48 000	25 000
Certificates of Deposit/Commercial Paper/Bank	5 000	86
Bond/Note (callable)	2 499	18 849
Other Investments	—	—
Money Market	5 447	9 294
Sweep Investments	—	—
Total — Schedule 7	**60 946**	**53 229**
United Nations Development Fund for Women		
Interest bearing current accounts	—	—
Time Deposit	85 032	20 000
Certificates of Deposit/Commercial Paper/Bank	30 000	25 000
Bond/Note (callable)	2 500	14 506
Other Investments	—	—
Money Market	10 788	6 262
Sweep Investments	—	—
Total — Schedule 7	**128 320**	**65 768**
Total Funds	**189 266**	**118 997**

Overview

The accompanying notes are an integral part of the financial statements.

Notes to the financial statements

Note 1
Mission statement

The United Nations Development Programme (UNDP) is part of the United Nations and upholds the vision of the Charter of the United Nations. It is committed to the principle that development is inseparable from the quest for peace and human security and that the United Nations must be a strong force for development as well as peace.

The mission of UNDP is to help countries in their efforts to achieve sustainable human development by assisting them to build their capacity to design and carry out development programmes in the areas of poverty eradication, employment creation and sustainable livelihoods, the empowerment of women and the protection and regeneration of the environment, giving first priority to poverty eradication.

UNDP also acts to help the United Nations family to become a unified and powerful force for sustainable human development and works to strengthen international cooperation for sustainable human development.

UNDP, at the request of Governments and in support of its areas of focus, assists in building capacity for good governance, popular participation, private and public sector development and growth with equity, stressing that national plans and priorities constitute the only viable frame of reference for the national programming of operational activities for development within the United Nations system.

UNDP resident representatives normally serve as resident coordinators of the operational activities of the United Nations system, supporting, at the request of Governments, the coordination of development and humanitarian assistance. Resident coordinators also help to orchestrate the full intellectual and technical resources of the United Nations system in support of national development.

UNDP strives to be an effective development partner for the United Nations relief agencies, working to sustain livelihoods while they seek to sustain lives. It acts to help countries to prepare for, avoid and manage complex emergencies and disasters.

UNDP draws on expertise from around the world, including from developing countries, United Nations specialized agencies, civil society organizations and research institutes.

UNDP supports South-South cooperation by actively promoting the exchange of experience among developing countries.

UNDP supports, within its areas of focus, technology transfer and adaptation, and access to the most effective technology.

UNDP receives voluntary contributions from nearly every country in the world. UNDP seeks to ensure a predictable flow of resources to support its programmes. It provides grant funds through criteria based on universality that strongly favour low-income countries, particularly the least developed.

UNDP is politically neutral and its cooperation is impartial. It seeks to conduct its work in a transparent manner, accountable to all its stakeholders.

UNDP is committed to a process of continuing self-evaluation and reform. It aims to improve its own efficiency and effectiveness to assist the United Nations system in becoming a stronger force for the benefit of the people and countries of the world.

UNDP will continue to support an international development cooperation framework that responds to changing global, regional and national circumstances.

Note 2
Summary of significant accounting policies

(a) Reporting period

The financial period of the organization is biennial. The present biennium covers the period from 1 January 2006 to 31 December 2007. The financial statements reflect the application of the following significant accounting policies.

(b) Framework

UNDP activities are accounted for in accordance with:

(a) The Financial Regulations formulated by its Executive Board and the Rules established by the Administrator under the Financial Regulations;

(b) The United Nations system accounting standards, as adopted by the Administrative Committee on Coordination, are based to a large extent on relevant international accounting standards issued by the International Accounting Standards Committee. Where differences from the International Accounting Standards exist, it is mainly because of the essentially non-commercial nature of the Organization's activities. The standards are based on the following principles and assumptions:

(i) Going concern, consistency and accrual are fundamental accounting assumptions. Where fundamental accounting assumptions are followed in financial statements, disclosure of such assumptions is not required. If these fundamental accounting assumptions are not followed, that fact should be disclosed together with the reasons;

(ii) Prudence, substance over form and materiality should govern the selection and application of accounting policies;

(iii) Financial statements should include clear and concise disclosure of all significant accounting policies which have been used;

(iv) The disclosure of the significant accounting policies used is an integral part of the financial statements;

(v) Unusual items or prior period items should be disclosed if they have a material effect on the financial statements or schedules;

(vi) If there is a change in accounting policy that has a material effect in the current period, or may have a material effect in subsequent periods, the effect of such change should be disclosed and quantified, together with the reason for the change.

(c) Income

Interest income is accrued as income in the year to which it relates. All other income is accounted for on a cash basis, with the exception of income accrued on Government letters of credit which are irrevocable.

(d) Expenditure

All expenditure of UNDP is accounted for on an accrual basis, except for that relating to staff entitlements and programme expenditure implemented by Governments and non-governmental organizations which are accounted for on a cash basis. However, included in the category of staff entitlements are costs related to the early separation programme and after-service health insurance. These costs are recorded on an accrual basis.

Where UNDP transfers cash to executing agencies, the transfer is recorded as an advance and the programme expenditure is recorded upon receipt of certified expenditure reports (project delivery reports and financial reports) prepared by the executing agencies.

The following criteria are generally used in applying the accrual basis:

Experts and other project personnel	Costs relating to the period of contractual service falling within the current biennium up to the amount provided for in the current budget
Travel on official business	Costs of travel taking place in the current biennium and travel commencing before the end of the current biennium but extending into the next biennium
Subcontracts	Payments falling due in the current biennium according to the terms of the contract or payment schedule
Fellowships	Cost of the fellowship from the anticipated date of commencement of study or start of the current biennium to completion of study or end of the current biennium, whichever is earlier
Group training	Full cost of any training activity conducted in the current biennium or beginning in the current and ending in the next biennium
Equipment	Full cost of a contractual agreement or a firm order placed with the supplier prior to the end of the current biennium up to the amount provided in the current budget
Miscellaneous	Cost incurred for events (for example, hospitality), goods or services delivered or firm orders placed for delivery in the current biennium

Effective from the biennium 2004-2005, UNDP revised its accounting policy with respect to the recording of expenditure executed by UNDP and by Governments and non-governmental organizations where UNDP provides support services to the executing agency. Previously this expenditure had been recorded on a cash basis.

UNDP decided to change the policy to make it consistent with the policy for recording United Nations agency expenditure. The impact of this change is an increase in programme expenditure and a corresponding increase in accounts payable. There is no change in the accounting policy for recording national execution expenditure where UNDP does not provide support services. This remains on a cash basis because many of the national entities that execute UNDP projects account for this expenditure on a cash basis.

Certain flexibility provisions may be applied to expenditure by an executing agent. In any given year, expenditure may exceed an approved project budget for that year by 4 per cent provided that the executing agent does not incur overall expenditure for that year in excess of 2 per cent of total allocations made to it.

(e) Biennial support budget

The biennial support budget comprises four components:

(i) Programme support: expenditure incurred by organizational units (country offices and headquarters) whose primary functions are the development, formulation, delivery and evaluation of the programmes of the organization. This will typically include units that provide back-stopping of programmes on either a technical, theoretical, geographical, logistical or administrative basis;

(ii) Management and administration: expenditure incurred by organizational units whose primary function is the maintenance of the identity, discretion and well-being of the organization. This will typically include units that carry out the functions of executive direction, organizational policy and evaluation, external relations, information and administration;

(iii) Support to operational activities of the United Nations: this comprises four elements which are basically applicable to the regular resources activities, namely, country offices support, the United Nations Development Group, the United Nations Volunteers programme and the Inter-Agency Procurement Services Office;

(iv) Programme support as well as management and administration expenditure for UNCDF headquarters.

Expenditure under the biennial support budget is recorded in accordance with the principles set out under "Expenditure" above.

(f) Currency exchange

Contributions in currencies other than United States dollars

Voluntary contributions received from Governments are translated into United States dollars using the United Nations operational rate of exchange in effect on the date of payment. All exchange differences against market rates are recorded as other income/expenditure.

Transactions in currencies other than United States dollars

For the purposes of accounting for transactions, and the maintenance of other financial records, other currencies are translated into United States dollars at the United Nations operational rate of exchange in effect on the date of the transaction. Assets and liabilities in other currencies are translated into United States dollars at the United Nations operational rate of exchange in effect on the date of the report.

Currency risk

UNDP uses natural hedges and derivative financial instruments, primarily options and forward foreign exchange contracts, to hedge currency risk on voluntary contributions. In using such instruments, the organization's objective is to protect the United States dollar equivalent of pledged voluntary contributions at the budget rate set at the beginning of each year, taking into account the relative lack of predictability of the amount and timing of actual receipts.

In cases where the hedged pledge amount is received before the maturity of the derivative financial instrument, management may close the derivative contract before maturity on a case-by-case basis based on an assessment of the underlying economic case.

(g) Capital expenditure

The costs of purchased or constructed premises as well as major rehabilitation costs are reflected as capital assets. These assets relate mainly to the housing and office premises under the activity of the reserve for field accommodation and the office premises purchased for the UNDP Argentina country office (see notes 13 and 14 below).

The full cost of non-expendable equipment is charged to the UNDP regular resources through its biennial support budget or to the appropriate project in the biennium in which it is purchased.

An inventory is maintained for all non-expendable equipment (defined as items of equipment valued at $1,000 or more per unit) procured for management purposes. Inventory is valued at actual cost whenever possible. When the actual cost is not available, a management estimate based on average cost or replacement cost is used. The value of inventory as at 31 December 2007 is disclosed in note 3 (d).

While UNDP also maintains an inventory of items purchased from programme resources (including nationally executed projects and directly executed projects), the value of this inventory is excluded from the value disclosed in note 3 (d) because such items generally revert to the recipient country on completion of the development project.

(h) Operational reserve

At its annual session in 1999, the Executive Board approved a change in the basis for calculation of the UNDP operational reserve for regular resources, which is now the sum of the following components:

(a) Income: the equivalent of 10 per cent of the average of the annual voluntary contributions received over the most recent three years, rounded to the nearest $1 million;

(b) Expenditure: the equivalent of 2 per cent of the average total annual expenditure incurred over the most recent three years, rounded to the nearest $1 million;

(c) Liability and structural: the equivalent of 10 per cent of the sum of the income and expenditure components, rounded to the nearest $1 million;

(d) Cash-flow: the equivalent of the cash needs for one month, calculated as one twelfth of the total expenditure of the most recent year, rounded to the nearest $1 million.

In addition, the Executive Board approved the establishment of an operational reserve with the UNDP extrabudgetary account for other resource activities. The calculation to arrive at the level of reserve follows the same basis as that of the regular reserve.

(i) Presentation

By its decision 97/6, the Executive Board approved the harmonization of the budget presentation format submitted by UNDP, the United Nations Children's Fund and the United Nations Population Fund. Therefore, the financial reports are presented in a way that is consistent with this decision.

The main features of this harmonization involve activities that are:

(a) Regular resources activities: activities financed from voluntary contributions, donations from non-governmental sources and related interest earnings and miscellaneous income;

(b) Other resources activities: activities financed from resources other than regular resources, which are received for a specific programme purpose (cost-sharing, Government cash counterpart contributions, trust funds established by the Administrator and activities from management service agreements);

(c) For accounting presentation purposes, the reimbursable support services and other miscellaneous and special activities, namely, Junior Professional Officers, the reserve for field accommodation and the United Nations Volunteers programme, among others, are included in the other resources activities;

(d) Funds administered by UNDP: activities of the funds established by the General Assembly and administered by UNDP.

The nature of some expenditure was redefined as explained above.

Other reclassifications and changes in presentation were made to better reflect the nature of the operations and/or to better comply with the accounting standards. These changes mainly affected:

(a) Cost-sharing activities: interest earned and support costs charged by the regular resources activities to cost-sharing activities are reflected through the statement of income and expenditure. In the past, these transactions were reflected directly as transfers to UNDP extrabudgetary income;

(b) Reimbursable support services for funds and trust funds: formerly termed "extrabudgetary activities", the reimbursable support services are now presented as part of the funds' and trust funds' income statement, with the ending balance reflected in the "unexpended resources balance". In prior years, the net balance of these activities was shown between the liabilities section and the unexpended resources balance section;

(c) Management service agreements for funds and trust funds: these are now presented as part of the funds' and trust funds' income statement, with the ending balance reflected in the "unexpended resources balance". In prior years, the net balance of these activities was shown between the liabilities section and the unexpended resources balance section;

(d) Full funding arrangements and United Nations joint venture activities at the United Nations Volunteers programme: these activities were presented as part of the income statement, with the ending balances reflected in the "unexpended resources balance". In prior periods, the net balance of these activities was reflected in the balance sheet. The full funding arrangements net balance was part of the other accounts receivable and deferred charges, while the United Nations joint venture activities net balance was shown as other liabilities.

(j) Non-consolidated financial statements

The results of the operations reflected in statements I to IV are presented on the basis of the three major components explained above in note 2 (i) (a), (b) and (d).

The totals of each major component are shown only for the purpose of reflecting the component's aggregate data. Identified inter-activities/inter-fund balances (within each component) in the balance sheet have been eliminated in computing these totals. Other inter-fund transactions are not eliminated. Therefore, these aggregates are not intended to, and do not, reflect consolidated amounts, which would have required elimination of all inter-fund transactions and balances within each component.

(k) Determination of certain balance sheet items

Owing to the nature of the activities, certain transactions pertaining to cost-sharing, Government cash counterpart contributions, etc., are commingled in the regular resources accounts (investments; deferred charges; receivables; payables, etc.). Whenever possible the balances of these accounts as at 31 December 2007 and the comparatives have been apportioned essentially on the basis of the best available information. The accounts not apportioned have been reflected in the inter-fund account balance.

(l) Investments

Carrying value of investments

Investments are carried at cost. In accordance with United Nations accounting standards, the market value of investments in bonds and notes is disclosed in note 9 for regular resources and reserves for after-service health insurance and in the notes to trust funds and funds, where applicable, if it is different from the carrying amount.

Marketable securities

UNDP purchases marketable securities with the intent to hold them to maturity. However, management may sell marketable securities in cases where there is a liquidity need or unexpected credit risk, or where it is otherwise in the best interest of the organization's overall investment management.

Credit risk

The marketable securities that potentially subject the organization to concentrations of credit risk consist primarily of bonds and certificates of deposit. The organization's investments are placed in high credit quality financial instruments as determined through reputable third party rating agencies. The credit quality of issuers of these investments is reviewed on an ongoing basis.

Liquidity risk

In addition to only placing investments in high credit quality financial instruments as determined through reputable third party rating agencies, to manage liquidity risk UNDP also limits its maximum exposure to any one issue and to any one counter party.

(m) Funds held in trust

UNDP is responsible for administering several funds, such as the Spain-UNDP Millennium Development Goals Achievement Fund, the Peace-building Fund, the UNDG Iraq Trust Fund and the UNDG Lebanon Recovery Fund. UNDP has reported the receipt of monies in connection with these funds as cash and investments — funds held in trust. See note 9 (b) for information on the corresponding assets, where applicable. See note 12 (c) for information on corresponding liabilities, which are recorded by UNDP as "deferred liability — funds held in trust" as UNDP will be required to transfer monies to specified recipients or for specified activities based on agreements. See note 2 (o) for the impact on the prior period.

(n) UNIFEM separate financial statements

As of 1 January 2007, UNIFEM continues to be included with the UNDP financial statements as presented by UNDP. As of 1 January 2008, UNIFEM is expected to have a separate set of financial statements and therefore will no longer be included with the UNDP financial statements as presented by UNDP.

(o) Prior-period items

Funds held in trust

UNDP is a participating United Nations organization and the administrative interface with donors who wish to provide financial support in connection with the UNDG Iraq Trust Fund for the reconstruction and development of Iraq.

For the biennium 2006-2007, contributions received relating to the UNDG Iraq Trust Fund are recorded in the statement of assets, liabilities, reserves and trust funds as cash and investments — funds held in trust in the amount of $254 million.

For the biennium 2004-2005, the comparative amount would have been $161 million. The impact of this prior-period item on unexpended resources is zero.

Adjustment relating to UNOPS expenditure

Programme expenditure includes $20 million relating to the years 1999 to 2005 which resulted from the reconciliation of the UNDP-UNOPS inter-fund account. This expenditure was executed or implemented by UNOPS.

Note 3
Disclosure of off-balance-sheet items

(a) Contributions of Governments and other contributors

Regular resources

Contributions due from Governments and other contributors for current and prior years that have not been paid as of 31 December 2007 are zero.

Cost-sharing contributions

As at 31 December 2007, $340,827,712 was receivable for cost-sharing projects. This amount is to be rephased to future years.

(b) In-kind contributions

As part of the agreements of UNDP with recipient countries, the Governments of those countries are to provide UNDP with accommodation free of charge. These in-kind contributions received during the biennium 2006-2007 are estimated at $21.6 million (2004-2005: $21.9 million). These estimates are based on the market value, if available, or the best estimates from the Government or UNDP country offices. This presented a $0.3 million decrease from the prior biennium.

(c) Related party transactions

In the biennium 1998-1999, UNDP, in partnership with Cisco Systems Inc., KPMG LLP and Akamai Technologies Inc. and with the support of other partners, launched a long-term initiative to use the power of the Internet to help break the cycle of extreme poverty globally. Publicized by high-profile rock concerts, the website http://Netaid.org used the Internet's interactive capabilities to draw attention to the issue of extreme poverty and to offer Internet users the possibility of becoming directly involved. Netaid.org was managed for UNDP by the Netaid.org Foundation, an independent entity that enjoyed not-for-profit status in the United States of America (United States Code, title 26, sect. 501 {c} [3]). Ownership of the Foundation was shared by UNDP and Cisco Systems. The UNDP contribution to the Foundation came mainly in the form of an in-kind contribution of personnel on a full-time basis. The Netaid.org Foundation ceased to exist in 2005.

(d) Inventory

In line with the accounting policy stated above, inventory held at UNDP headquarters and at UNDP country offices as at 31 December 2007 was valued at $82.1 million ($73.5 million in 2005). Assets capitalized are neither amortized nor depreciated. This total excludes the value of assets purchased from programme resources.

Note 4
Unidentified receipts

Monies received, but not identified as to purpose, are held as accounts payable until identified. As at 31 December 2007, $11,914,211 ($30,911,346 in 2005) in unidentified receipts were held as accounts payable. This amount is included in note 12 (b).

Note 5
Income received for the biennial support budget — regular resources

At its thirty-first session in 1984, the Governing Council authorized the establishment of a country-specific accounting linkage between voluntary contributions and contributions to local office costs in such a manner that voluntary contributions are first accounted for against any shortfall in contributions to local office costs. The total amount of $5,475,000 ($6,442,000 in 2005) which was transferred from voluntary contributions in respect of such linkage is included in the transfer to the biennial support budget from voluntary contributions as follows:

	2007	*2005*
Transfer of contributions with regard to Government local office contributions (accounting linkage)	5 475	6 442
Reimbursement of tax charges	12 797	11 227
Total	18 272	17 669

Income received for the biennial support budget shown in schedule 3 consists of:

	2007	*2005*
Government local office contributions received	37 538	33 385
Transfer from contributions — Government local office contributions	5 475	6 442
Reimbursement of tax charges	12 797	11 227
Total host Government contributions	**55 810**	**51 054**
United Nations Volunteers income	4 600	4 505
Other income	429	562
Total	**60 839**	**56 121**

Note 6
Interest income — regular resources

The amounts shown in statement I.1 consist of the following (in thousands of United States dollars):

	2007	*2005*
Interest from investments	359 729	139 835
Interest transferred to:		
Cost-sharing	(178 582)	(63 450)
Trust funds	(102 849)	(36 288)
Management service agreements	(30 032)	(2 511)
Reimbursable support services and special activities	(26 606)	(10 384)
Total	**21 660**	**27 202**

Note 7
Other income — other resources

Other income of $636.9 million as shown in statement I.2 is reported under reimbursable support services and miscellaneous activities.

Fees — general management support	273 367
Reimbursement and support services income	69 393
Field security office budget through UNSECOORD	113 622
Fees for support services provided	21 533
Implementation support services	16 234
Other income — UNV	19 674
Contributions from agencies to field office common services	96 483
Procurement handling fees	9 160
Income generated by projects	755
Payroll management services	4 507
Reimbursement for management services	926
Other miscellaneous income	8 740
Reserve for field accommodation	2 482
Total	**636 876**

Note 8
Cash — regular resources

The amounts shown in statement II.1 consist of the following (in thousands of United States dollars):

	2007	*2005*
Cash in bank accounts	19 514	135 746
Transfer from regular resource investments	—	—
Subtotal	**19 514**	**135 746**
Less: provision for depreciation of accumulating non-convertible currencies	(24 669)	24 669
Total	**(5 155)**	**111 077**

The cash balance at country offices takes into account uncleared cheques to the value of $114,048,013 as at 31 December 2007. There is an automatic replenishment from the headquarters current and investment accounts once these cheques are cashed.

The above provision was established to reflect the overvaluation of the Cuban peso against the United Nations rate of exchange.

Note 9
Cash and investments

(a) Investments

The carrying value of investments for bonds and notes of $601.3 million for regular resources and $82.8 for reserves for after-service health insurance is disclosed in schedule 8. The movement in the bond value shows a decrease of $269,757,598 in bonds held for regular resources and a decrease of $27,669,766 for after-service health insurance, as detailed below:

Beginning value 1 January 2006	*Purchases*	*Maturities*	*Amortization*	*Net realized gain*	*Adjustments*	*Carrying value 31/12/2007*	*Market value*	*Par value*
871 134 273	323 977 466	(587 903 000)	(5 830 732)	1 600	(2 932)	601 376 675	1 373 854 698	1 375 795
117 431 153	50 205 280	(84 000 000)	(881 876)	3 733	3 097	82 761 387	83 290 883	82 500 000

(b) Cash and investments — funds held in trust

Spain-UNDP Millennium Development Goals Achievement Fund

In December 2006, the Government of Spain decided to contribute 528 million euros (695 million United States dollars) to the Spain-UNDP Millennium Development Goals Achievement Fund, to be managed by UNDP.

The purpose of the fund is to support activities in the seven priority areas established in the Spanish Master Plan for International Cooperation, 2005-2008, and as reflected in the framework document of the UNDP-Spain Millennium Development Goals Achievement Fund.

These activities will be supported through the core mandates of the United Nations funds, programmes, agencies and other development organizations, and specified United Nations country team initiatives.

Since UNDP received the funds contributed prior to the biennium ended 31 December 2007, they are reflected in cash and investments funds held in trust.

UNDG Iraq Trust Fund

In 2004, an agreement was signed by various United Nations participating organizations as part of the United Nations involvement in the reconstruction and development of Iraq. UNDP is a participating United Nations organization and the administrative interface with donors who wish to provide financial support in connection with the UNDG Iraq Trust Fund.

Contributions received by UNDP from donors in connection with the UNDG Iraq Trust Fund are recorded as cash and investments — funds held in trust.

Peace-building Fund

In 2005, the General Assembly and the Security Council requested the United Nations Secretary-General to establish a multi-year standing peace-building fund to support post-conflict peace-building activities which directly contribute to post-conflict stabilization and strengthen the capacity of Governments, national/local institutions and transitional or other relevant authorities in that respect.

UNDP was appointed as the fund manager responsible for the administration of the Peace-building Fund, the receipt of donor contributions and the disbursement of funds in accordance with specified terms of reference.

Since UNDP received the funds contributed prior to biennium end, they are reflected in cash and investments — funds held in trust.

Details of the cash and investments — funds held in trust are as follows (in thousands of United States dollars):

	2007
Spain-UNDP Millennium Development Goals Achievement Fund	705 609
UNDG Iraq Trust Fund	253 871
Peace-building Fund	151 116
UNDG Lebanon Recovery Fund	14 102
Total	**1 124 698**

Note 10
Government letters of credit

Government letters of credit shown in statement II.2 were made to UNDP in respect of cost-sharing, trust funds and reimbursable support services for the following activities (in thousands of United States dollars):

Cost-sharing	*2007*
Bi-communal development programme	16 607
Support to the Center of Government, Afghanistan	3 068
Local governance and decentralization	2 467
Resident Coordinator's Office coordination support (Sudan)	2 301
Election assistance programme (Kenya)	2 046
Support to the demobilization and reintegration, phase III in Ituri	1 919
Afghanistan elections	1 750
Support to the national election (Pakistan)	1 500
Support to the Afghan Independent Human Rights Commission	1 407
Civil registration reform (Georgia)	1 211
National area-based development programme in Afghanistan — capacity development	946
National area-based development programme in Afghanistan — capacity development, phase II	759
Improved social security (Moldova)	698
Addressing gender-based violations in Darfur, the Sudan	588
Family health (Belarus)	500
ICT capacity-building (Afghanistan)	430
Building information management (Afghanistan)	400
Disaster risk management programme (India)	348
Support the threshold country (Ukraine)	300
Poverty strategy for Ethiopia	200
Flood-proofing pilot in An Giang (Viet Nam)	180
Execution of a survey on demographic and health issues (Nicaragua)	177
Capacity development and community works — Ministry of Martyrs and Disabled (Afghanistan)	170
Human resources capacity (Yemen)	138
Support to return, resettlement and integration of internally displaced persons	128
Programme development (Haiti)	120
Elections project (Haiti)	82
Programme development, Système National de Gestion du Risque et des Désastres (Haiti)	81
Warning and alert system (Cameroon)	68
Earthquake-proof homes	47
Apoya al catastro (Guatemala)	43

Cost-sharing	*2007*
Indian Business Alliance (India)	38
Assistance project for winterization (Afghanistan)	34
Basket Fund for Electoral Assistance (Ethiopia)	28
UNDP partnership report on business contributions to the Millennium Development Goals	28
Reinstallation and reintegration of refugees (Rwanda)	25
Strengthening the Secretariat for European Intervention and the Deputy Prime Minister's office for European intervention (Montenegro)	25
Disaster management centre (Viet Nam)	21
Strengthening the system of prevention (Namibia)	19
Strategy for poverty reduction (Haiti)	14
Relief to recovery transition (Pakistan)	8
Social and psychological support (India)	7
Donor support to poverty reduction strategy paper preparation process in Ethiopia	7
Support to 2006 elections in Zambia	5
Global Village Energy Partnership Action Plan (Brazil)	3
Emergency coordination and relief (India)	—
Public sector reform in Argentina	—
Rehabilitation, reconstruction and development project (Tajikistan)	(2)
Beautiful Russe: temporary employment and vocational training (Bulgaria)	(115)
Subtotal	**40 825**
Trust funds	
UNDP/Afghanistan Counter-Narcotics Trust Fund	10 000
Crisis Prevention and Recovery Mine Action Trust Fund	2 025
UNDP Thematic Trust Fund on Energy for Sustainable Development	435
Integrated Framework Trust Fund	200
UNSO Trust Fund	137
Subtotal	**12 797**
Reimbursable support services	
Support to security (Sudan)	1 520
Support to security	235
Subtotal	**1 755**
Total	**55 377**

Note 11

Provision in respect of agency receivable

UNDP country offices make payments at the request of the United Nations and these payments are recorded in the UNDP records as a receivable from the United Nations. In 2004 and 2005 an in-depth analysis of the differences between the records of UNDP and those of the United Nations was undertaken. The scope of the review included payments totalling some $26 million that were made over the years from 1993 to 2003. The objective of the review was to locate the supporting documentation for each payment and confirm whether the payment was, in fact, a payment made on behalf of the United Nations. Locating the supporting documentation was difficult owing to the elapsed time and because much of it was located in UNDP country offices throughout the world. Where UNDP was able to locate the supporting documentation, $12.3 million was confirmed as a valid charge to the United Nations and $4.8 million was determined to have been incorrectly charged to the United Nations. For this latter category, all of the items were as a result of miscoding of the payment; none were as a result of fraud or theft. Where UNDP could not locate the supporting documentation, the United Nations formally agreed to accept a portion of the payments. The remainder, some $4.3 million, was reclassified as miscellaneous expenditure in 2005. The reserve for write-off is included in the balance sheet under other accounts receivable and deferred charges. As at 31 December 2007, the official approval for write-off is awaited from the Administrator.

Note 12

Accounts receivable, payable and liability — funds held in trust

(a) Other accounts receivable and deferred charges

The amounts shown in statements II.1 and II.2 consist of the following (in thousands of United States dollars):

	2007	*2005*
Accounts receivable	52 515	62 381
Miscellaneous deferred charges	3 847	4 322
Total	**56 362**	**66 703**
This total is reported as follows:		
Regular resources, statement II.1	30 252	42 625
Cost-sharing, statement II.2	26 110	24 078
Total	**56 362**	**66 703**

(b) Accounts payable

The amounts shown in statements II.1 and II.2 consist of the following (in thousands of United States dollars):

	2007	*2005*
Accounts payable	138 696	162 253
Payment assignment	—	1 430
Deferred payables	97 406	60 143
Cash received and awaiting clarification	11 460	30 911
Total	**247 562**	**254 737**
This total is reported as follows:		
Regular resources, statement II.1	123 095	178 997
Cost-sharing, statement II.2	124 467	75 740
Total	**247 562**	**254 737**

Included in the accounts payable amount of $138.7 million above are funds held on behalf of donors in the amount of $56.7 million, consisting of interest on resource balances and pending refunds. These funds will be either refunded to the donors or, in consultation with the donors, transferred to UNDP projects.

(c) Deferred liability — funds held in trust

Details of the deferred liability — funds held in trust are as follows (in thousands of United States dollars):

	2007
Spain-UNDP Millennium Development Goals Achievement Fund	707 034
Agency services — global/local and UNODC	46 272
IAPSO — reimbursement of product services	13 453
One UN — Albania, Viet Nam, Uruguay, Tanzania and Rwanda	47 297
Peacebuilding funds	149 957
Joint programming funds, Multi-Donor Trust Fund	294 928
HIV and AIDS response in Zimbabwe	10 135
Avian flu, global programming, tsunami, national disaster and early recovery joint programme funds	10 185
Other joint programme funds and joints offices, UNFPA, UNICEF, WFP	783
	1 280 044

Note 13
Reserve for field accommodation

The reserve for field accommodation was established in 1979 at a maximum level of $25 million to construct housing for United Nations international staff at the country offices. In 1989, the Governing Council authorized UNDP to expand the scope of the reserve to include financing for the United Nations system common premises, intended to accommodate the office needs of the agencies of the Joint Consultative Group on Policies.

The cumulative operating deficit of $0.8 million shown in schedule 6 is derived mainly from housing rental and office premises operations.

As at 31 December 2007, the excess of total expenditure over the authorized level of reserve of the reserve for field accommodation activities is $19,768,000 ($20,309,000 in 2005).

Schedule 6.2 on the reserve for field accommodation activities now includes each of its elements: reimbursable support services, office premises and housing. The split of the balance sheet items is essentially based on the best available information: the market value, if any, the architect reports, the various biddings for construction, and so on. The income statement data for both housing and office premises are based on the nature of the actual transactions.

The long-term receivable of $350,000 ($436,000 in 2005) shown in schedule 6.2 represents the amount receivable over the current biennium resulting from the sale of housing apartments in Cape Verde. The sale price was $1,300,050 and is payable in 15 annual instalments of $86,070. The current portion of $87,000 is included in other accounts receivable.

Note 14
Office premises and deferred income

(a) Office premises purchased for the UNDP country office in Argentina

In October 1996, office space was purchased for the country office in Argentina. The cost of this acquisition amounted to $1,570,000 and was financed from the country office's extrabudgetary resources.

This asset, which has been exceptionally capitalized, is shown under the regular resources.

Note 15
Reserves for special initiatives

The Executive Board, at its first regular session in 2000, approved the establishment of a capital reserve in the amount of $3.8 million as a charge from UNDP general resources. This amount will cover relocation costs, such as renovations, furniture, fittings and moving costs.

In addition, at its first regular session in 2002, the Executive Board approved the establishment of a special reserve for separations relating to UNOPS amounting to $1.5 million.

The unexpended balance of resources for special initiatives shown on statement II.1 consists of the following (in thousands of United States dollars):

	Balance as at 1 January 2006	*Additions during the biennium*	*Payments during the biennium*	*Balance as 31 December 20*
Reserve for separations	220	—	—	22
Reserve for United Nations House programme	530	—	448	
Reserve for United Nations mandated security measures	—	30 199	30 199	
Total	**750**	**30 199**	**30 647**	**30**

Disbursements against these reserves are in addition to expenditure incurred against appropriations approved by the Executive Board in the recurrent biennial support budget.

Note 16
Unexpended resources

(a) Regular resources

The Executive Board, at its second regular session in 2001, approved the setting aside of $11.4 million as a transitional reserve for information and communications technology. This amount has been fully spent. In addition, the Executive Board, at its second regular session in 2003, approved the setting aside of $11.5 million as funding for security measures, which amount has been fully spent. Further, the Executive Board at its second regular session in 2005, approved the setting aside of $31.2 million for United Nations mandated security measures for the biennium 2006-2007. Of this amount, $30.2 million has been spent.

The above amounts have been transferred to reserves for special initiatives and are disclosed in note 15. As a result, unexpended resources comprise the following (in thousands of United States dollars):

	2007	*2005*
Funding for security measures	—	234
Unencumbered resources	377 009	237 276
Unexpended resources	**377 009**	**237 510**

(b) Reimbursable support services resources

As a prudent measure, during the biennium 2002-2003 UNDP management set aside $2.5 million from the organization's reimbursable support services resources as a special reserve to help address financial and operational risks inherent in non-core funded projects.

As a result, unexpended resources relating to reimbursable support services comprise the following (in thousands of United States dollars):

	Balance as at 31 December 2007
Special reserve fund	2 500
Unencumbered resources — reimbursable support services	225 709
Unexpended resources	**228 209**

Note 17
Unspent allocations and future commitments

(a) Unspent allocations

Unspent allocations issued against UNDP resources for programme expenditure (excluding national execution) as at 31 December 2007 amount to approximately $31.7 million ($71 million in 2005), against which forward commitments reported by executing agencies are approximately $1.8 million ($3.3 million in 2005).

(b) Leasehold commitments

Future leasehold commitments against regular resources as at 31 December 2007 amount to $57.4 million ($35.2 million in 2005) for headquarters and $25.8 million ($8.9 million in 2005) for country offices. The figures for the country offices include long-term leases signed for the following periods:

Country office	*Lease end date*
Ethiopia	10 April 2099
Jordan	1 January 2080
Maldives	31 March 2093
People's Democratic Republic of Korea	31 December 2086
Thailand	22 November 2099

(c) Post-retirement benefits

UNDP provides employees who have met certain eligibility requirements with health-care benefits after they retire. In order to gain a better understanding of the organization's financial liability for after-service health insurance coverage, an independent consulting actuary was engaged to carry out an actuarial valuation as at 31 December 2007.

The principal actuarial assumptions used to determine the cost of expected claims were as follows:

(i) Annual discount rate:	5.5 per cent;
(ii) Health-care inflation rate:	Health-care trend rates of 10 per cent in 2006 grading down to an ultimate rate of 5 per cent in 2014 and later for medical plans in the United States and health-care trend rates of 6.75 per cent grading down to an ultimate rate of 4.5 per cent in 2012 and later for medical plans outside the United States.

On the basis of that study, the actuary estimated that the liability as at 31 December 2007 for after-service health insurance benefits covering all participants in UNDP was as follows (in thousands of United States dollars):

	Present value of future benefits as at 31 December 2007	*Accrued liability as at 31 December 2007*
Gross liability	816 677	594 267
Offset from retiree contributions	174 506	128 092
Net liabilities	**642 171**	**466 175**

The present value of future benefits figures shown above is the discounted value of all benefits, less retiree contributions, to be paid in the future to all current retirees and active employees expected to retire in the future.

The accrued liability represents that portion of the present value of future benefits that has accrued from the staff members' dates of entry on duty until the valuation date, 31 December 2007. Active staff members' benefits are considered fully accrued when the staff members reach their dates of full eligibility for benefits.

UNDP is funding the after-service health insurance liability from regular and other resources as well as interest on the after-service health insurance reserve balance. The amounts funded from regular and other resources, plus accumulated interest of $25 million, comprise the total after-service health insurance reserve of $268 million.

For the biennium ended 31 December 2007, UNDP made an accounting accrual of $62 million from core resources. This amount is over and above disbursements by UNDP for after-service health insurance, which are included as part of biennial support budget expenditure. Because of the unique nature of these items, UNDP accounted for the accrual as part of other expenditure rather than as a charge to the biennial support budget.

The current actuarial report shows that the accrued liability estimate as at 31 December 2007, compared to the estimate contained in the prior actuarial report as at 31 December 2005, increased by $59.3 million to $466.2 million.

As at 31 December 2007 the unfunded liability, representing the difference between the actuarial valuation of the liability and the after-service health insurance reserve, is $198.2 million. UNDP will fund this liability in future years.

The actuarial valuation of the after-service health insurance benefits of UNDP and the United Nations Secretariat is carried out jointly. UNDP will carry out future valuations with the same frequency as the United Nations Secretariat.

(d) End-of-service liabilities

Consistent with note 2 above, UNDP has not specifically accrued for liabilities for the following end-of-service benefits, which will be owed when staff members leave the organization. The disbursements incurred in the financial period when staff members separate are reported as current expenditures.

Costs relating to annual leave dues as at 31 December 2007 are estimated at $35.9 million ($22.8 million in 2005).

The contingent liability resulting from the termination benefits that UNDP will be required to pay to its staff members in future years is estimated by management as at 31 December 2007 to be $37.6 million ($18.9 million in 2005) in respect of repatriation grants and $7.5 million ($4.9 million in 2005) in respect of termination indemnities.

(e) Pension benefits

UNDP is a member organization participating in the United Nations Joint Staff Pension Fund, which was established by the United Nations General Assembly to provide retirement, death, disability and related benefits. The Fund is a funded defined-benefit plan. The financial obligation of the organization to the Fund consists of its mandated contribution at the rate established by the Assembly together with any share of any actuarial deficiency payments under article 26 of the regulations of the Fund. Such deficiency payments are only payable if and when the Assembly has invoked the provision of article 26, following determination that there is a requirement for deficiency payments based on an assessment of the actuarial sufficiency of the Fund as at the valuation date. At the time of the submission of the present report the Assembly had not invoked that provision.

(f) Air crash in the United Republic of Tanzania

On 5 December 1980, four UNDP staff members died in an air crash in the United Republic of Tanzania. As a result, UNDP received insurance proceeds totalling $623,948 from which it pays compensation to the beneficiaries of the victims. The remaining balance of these proceeds was fully utilized in 1996. Since then, compensation payments have been reported as expenditure in the year the payments are made. Payments of $194,653 were made during the current biennium.

(g) Contingent liability for pending claims

UNDP faces pending claims at an amount estimated at $5.8 million from possible litigation against UNDP.

(h) Future commitments to UNOPS

In connection with the partial merger of IAPSO with UNOPS, UNDP and UNOPS agreed to a one-time transfer of $3.9 million to UNOPS as a means of covering future liabilities associated with staff transferred from IAPSO to UNOPS as well as of making a contribution towards start-up costs and business risks faced by UNOPS from 1 January 2008.

In connection with the Afghanistan elections shortfall, where UNOPS was the major implementing partner, UNDP has mobilized resources to offset much, though not all, of the shortfall. In 2008, UNDP agreed to release $4.3 million to UNOPS to reimburse UNOPS for a portion of the expenditure in excess of the letter of agreement signed between UNDP and UNOPS. As additional resources are mobilized, these will also be released to UNOPS.

Note 18
Unliquidated obligations

The balance of unliquidated obligations consists of the following (in thousands of United States dollars):

	2007	*2005*
Executing agents	117 451	99 585
Biennial support budget	19 242	8 224
Reimbursable support services, reserve for accommodation and special activities	8 723	10 209
Total	**145 416**	**118 018**
Regular resources, statement II.1	51 233	41 248
Cost-sharing, statement II.2	85 460	66 561
Reimbursable support services, schedule 6	5 628	7 448
Reserve for field accommodation, schedule 6	12	1
Special activities, schedule 6	3 083	2 760
Total	**145 416**	**118 018**

Note 19
Outstanding commitments of the reserve for field accommodation

Unpaid invoices and commitments to contractors and subcontractors against the reserve for field accommodation totalled approximately $140,925 as at 31 December 2007 ($140,925 in 2005). These invoices are not accrued in the current year.

Note 20
Inter-Agency Procurement Services Office

As at 1 January 2008, UNDP and UNOPS have moved forward with a merger of certain procurement functions from IAPSO into UNOPS. Accordingly, IAPSO was wound up on 31 December 2007. UNOPS has taken over the IAPSO "common user" procurement systems and services, while UNDP retained the more strategic procurement for its newly created and strengthened Procurement Support Office within the Bureau of Management.

(a) Accounts payable

The amount of $332,000 ($32,509,000 in 2005) shown in schedule 6.3 includes advances received relating to direct procurement.

(b) Biennial support budget

The core support budget of $844,000 ($971,000 in 2005) for the Inter-Agency Procurement Services Office is included in the amount for regular resources in the biennial support budget and is set out in detail in schedule 3.

(c) Basis of accounting

Inter-Agency Procurement Services Office direct procurement activity is accounted for on a cash basis. Collection of outstanding receivables from 2007 will be reflected in the Inter-Agency Procurement Services Office's budget in the next biennial statement.

(d) Trading activities

The trading activities of the Inter-Agency Procurement Services Office for the biennium 2006-2007 generated gross revenue of $224.9 million. Based on trading activities, the Inter-Agency Procurement Services Office earned procurement handling fees and other income amounting to $13.2 million ($12.4 million in 2005), as shown in schedule 6.3.

Note 21
Special activities (schedule 6.4)

(a) Support to the United Nations resident coordinator activities

The activities of the resident coordinator are: supporting collaborative programming; following up major international conferences; carrying out United Nations system public information activities; and reviewing and planning United Nations system shared services, common premises and special assignments.

For the biennium ended 31 December 2007, total expenditure incurred with regard to these activities under special activities amounted to $60,760,000. This expenditure is presented in the financial statements as follows (in thousands of United States dollars):

	2007	*2005*
Regular resources, statement I.1	25 681	27 841
Other resources — special activities, schedule 6.4	35 079	17 214
Total	**60 760**	**45 055**

(b) Others

Various other activities are classified under extrabudgetary support for special purposes, including the Centre of Experimentation of the Sustainable Energy and Environment Division.

Note 22
Amounts due to/from funds and trust funds administered by the United Nations Development Programme

UNDP receives contributions for, and makes advances to, funds and trust funds that it administers. The balance of these transactions as at 31 December 2007 is shown in schedule 7 for funds and statement II.2 for trust funds.

Note 23
Trust Fund to Combat Desertification and Drought

(a) Mandate and goals

To address the effects of the severe drought in the Sahel region in Africa in the early 1970s, the Secretary-General of the United Nations in 1973 established the United Nations Sahelian Office (UNSO). In 1977, the Office was placed under UNDP administration. In 1978, its mandate was extended to assist, on behalf of the United Nations Environment Programme, the countries of the Sudano-Sahelian region in their implementation of the 1977 World Plan of Action to Combat Desertification.

In Agenda 21, adopted by the United Nations Conference on Environment and Development in 1992, the Office was explicitly called upon to assume a major advisory role and participate effectively in the implementation of the provisions of Agenda 21 related to combating drought and desertification, and to land resource management, and to share its experience in this respect with all relevant countries, in particular those in Africa, with special attention to countries most affected or classified as least developed countries. The UNDP Governing Council and the General Assembly in June and December 1993, respectively, endorsed this extension of the UNSO mandate. In 1995, the UNDP Executive Board and the Economic and Social Council endorsed the renaming of the United Nations Sahelian Office as the Office to Combat Desertification and Drought, while retaining its familiar acronym.

In response to the Executive Board's call for greater functional integration of UNSO into UNDP, the Administrator in 1994 brought together UNSO and several other environment-related units in the new Sustainable Energy and Environment Division. Today, UNSO may be characterized as a special programme for dryland management, desertification control and drought mitigation. Its principal goals are to spearhead UNDP support to affected programme countries for the implementation of the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa and to serve as the principal global advocate for an integrated approach to dryland degradation and poverty eradication in conformity with the broad sustainable human development agenda of UNDP.

Within a broad programme approach UNSO, inter alia:

(a) Provides technical support and/or catalytic funding for the launching of the participatory and integrated processes called for under the Convention to formulate and implement national, subregional and regional action programmes to combat desertification and promote sustainable livelihoods in the world's drylands;

(b) Develops and tests new, innovative concepts and approaches to policy and programme formulation in dryland management and on cross-cutting issues critical for successful implementation of the Convention, and facilitates access to them through technical publications, training and capacity-building;

(c) Facilitates the dissemination of documentation and the exchange of knowledge, experience and best practices within the framework of selected thematic programme areas (such as water management, local-level natural resource management, pastoral development, environmental information systems, etc.);

(d) Promotes awareness of dryland development issues and facilitates the mobilization of resources and partnership-building with relevant intergovernmental and non-governmental agencies to avoid duplication of efforts and to optimize the use of resources available for the implementation of the Convention.

(b) Combined accounts

In the light of the evolution in the UNSO mandate, the Administrator in 1995 established the Trust Fund to Combat Desertification and Drought. Appropriate steps were taken, including consultations with the United Nations legal services, to proceed towards a consolidation of the trust fund under the former mandate with the new trust fund.

In the meantime, the activities of these two funds have been combined as shown in schedule 5.2. The status of income received and expenditure incurred for the current year are as follows (in thousands of United States dollars):

	United Nations Trust Fund for Sudano-Sahelian Activities I	*Trust Fund to Combat Desertification and Drought II*	*Total*
Unexpended resources as at 1 January 2006	(684)	4 999	4 315
Income received	166	10 384	10 550
Expenditure incurred	(141)	(3 712)	(3 853)
Transfers to/from other funds	996	(1 235)	(239)
Refunds to donors	—	—	—
Unexpended resources as at 31 December 2007	**337**	**10 436**	**10 773**

(c) Investments

Investments for UNSO were liquidated in 2001. The appearance of $47,000 in schedule 8 and accrued interest of $284,000 in schedule 5.1 is due to prior-period recording errors subject to reclassification in 2008.

(d) Unliquidated obligations

The balance of unliquidated obligations shown in schedule 5.1 consists of the following (in thousands of United States dollars):

	2007	*2005*
Executing agents	29	—
Biennial support budget	—	—
Total	**29**	—

(e) Unexpended resources

The amounts shown in schedule 5.1 consist of the following (in thousands of United States dollars):

	Unexpended resources	
	2007	*2005*
Regular resources	1 820	176
Cost-sharing	7 572	2 708
Sub-trust funds	1 318	1 300
Management service agreements	25	2
Reimbursable support services	38	129
Total	**10 773**	**4 315**

Note 24
Trust Fund for the Global Environment Facility

(a) Mandate and goals

The Trust Fund for the Global Environment Facility (GEF) was established for the receipt and administration of funds to finance UNDP pre-investment studies, technical assistance and training for global environment policies, programmes and projects. The agreement between UNDP and the World Bank, as trustee for GEF, was signed on 29 April 1991. As stated in the Instrument for the Establishment of the Restructured Global Environment Facility:

> GEF shall operate, on the basis of collaboration and partnership among the implementing agencies, as a mechanism for international cooperation for the purpose of providing new and additional grant and concessional funding to meet the agreed incremental costs of measures to achieve agreed global environmental benefits in the following focal areas:
>
> (a) Biological diversity;
>
> (b) Climate change;
>
> (c) International waters;
>
> (d) Land degradation, primarily desertification and deforestation;

(e) Ozone layer depletion; and

(f) Persistent organic pollutants.

The agreed incremental costs of activities to achieve global environmental benefits concerning chemicals management as they relate to the above focal areas shall be eligible for funding. The agreed incremental costs of other relevant activities under Agenda 21 that may be agreed by the Council shall also be eligible for funding insofar as they achieve global environmental benefits by protecting the global environment in the focal areas.

GEF shall ensure the cost-effectiveness of its activities in addressing the targeted global environmental issues, shall fund programmes and projects which are country-driven and based on national priorities designed to support sustainable development and shall maintain sufficient flexibility to respond to changing circumstances in order to achieve its purposes.

UNDP will play the primary role in ensuring the development and management of capacity-building programmes and technical assistance projects. Through its global network of field offices, UNDP will draw upon its experience in human resources development, institutional strengthening and non-governmental and community participation to assist countries in promoting, designing and implementing activities consistent with the purpose of GEF and national sustainable development strategies. Also drawing on its inter-country programming experience, UNDP will contribute to the development of regional and global projects within the GEF work programme, in cooperation with the other implementing agencies.

(b) Investments

The carrying value of investments for bonds and notes is zero as disclosed in schedule 8. The decrease of $10,040,755 in the bond value is detailed below:

Beginning value 1 January 2006	*Purchases*	*Maturities*	*Net amortization*	*Carrying value 31/12/2007*	*Movement (decrease)*	*Market value*	*Par value*
10 040 755	—	(10 000 000)	(40 755)	—	(10 040 755)	—	—

(c) Unliquidated obligations

The balance of unliquidated obligations shown in schedule 5.1 consists of the following (in thousands of United States dollars):

	2007	*2005*
Executing agents	21 437	12 690
Biennial support budget	445	440
Total	**21 882**	**13 130**

(d) Unexpended resources

The amounts in schedule 5.1 consist of the following (in thousands of United States dollars):

	Unexpended resources	
	2007	*2005*
Regular resources	214 181	141 459
Cost-sharing	21 932	16 646
Sub-trust funds	5 030	10 725
Management service agreements	338	443
Reimbursable support services	6 605	—
Total	**248 086**	**169 273**

(e) Restatement of prior years

On the basis of a change in classification in 2006 of a funding activity (GEF Least Developed Countries Fund/national adaptation programmes of action programme activities) from regular resources to sub-trust fund, the prior-year figures on all statements have been restated.

Note 25
Multilateral Fund for the Implementation of the Montreal Protocol

(a) Mandate and goals

The stratospheric ozone layer prevents most ultraviolet radiation from reaching the Earth. This ozone layer is under intense attack by chlorofluorocarbons, halons and other ozone-depleting substances used as refrigerants, foaming agents, aerosol propellants, fire retardants, solvents and fumigants. The depletion of the ozone layer allows more radiation to reach the Earth, raising the incidence of skin cancer and cataracts, and affecting agriculture, fisheries and biological diversity.

The Montreal Protocol (1987) sets out the time schedule for freezing and reducing consumption of ozone-depleting substances. Developed countries have already eliminated most of these ozone-depleting substances; developing countries have a grace period. A multilateral fund was established under the Montreal Protocol to assist developing countries eliminate these ozone-depleting substances; it is funded by developed countries (since they had contributed the most to the ozone layer depletion problem). Between 1991 and 2005, the Multilateral Fund approved $1.98 billion in projects to phase out the consumption of more than 223,500 ODP tonnes and the production of about 133,000 ODP tonnes of ozone-depleting substances. The Fund has been replenished by $400 million for the three-year period 2006-2008.

UNDP is one of four implementing agencies under the Multilateral Fund (with UNEP, the United Nations Industrial Development Organization and the World Bank). UNDP assists 86 countries (77 under the Multilateral Fund and nine under GEF) to implement national programmes to phase out chlorofluorocarbons, halons and other ozone-depleting substances through national country programme formulation, technical training and demonstration projects, institutional strengthening/national capacity-building and technology transfer investment projects.

UNDP helps Governments and industry design, implement, monitor and evaluate projects and programmes to phase out ozone-depleting substances in the aerosols, foams, solvents, refrigeration/air-conditioning and fire-extinguishing sectors, covering large, medium and small-scale enterprises. UNDP also works on demonstration projects to test alternatives to the use of methyl bromide, a pesticide that contains chlorofluorocarbons, for agricultural purposes. The programme comprises a mix of UNOPS-executed and nationally executed projects. UNDP has also assisted or is currently assisting Australia, Belgium, Canada, Denmark, Germany, Italy, Japan, Sweden and the United States to implement certain bilateral programmes under the Multilateral Fund.

(b) Investments

The carrying value of investments of $12.5 million for bonds and notes is disclosed in schedule 8. The decrease of $45,881,393 in the bond value is detailed below:

Beginning value 1 January 2006	*Purchases*	*Maturities*	*Net amortization*	*Carrying value 31/12/2007*	*Movement (decrease)*	*Market value*	*Par value*
58 384 391	—	(45 520 000)	(361 393)	12 502 998	(45 881 393)	12 495 763	12 500 000

(c) Unliquidated obligations

The balance of unliquidated obligations shown in schedule 5.1 consists of the following (in thousands of United States dollars):

	2007	*2005*
Executing agents	2 865	5 296
Biennial support budget	52	130
Total	**2 917**	**5 426**

(d) Unexpended resources

The amounts in schedule 5.1 consist of the following (in thousands of United States dollars):

	Unexpended resources	
	2007	*2005*
Regular resources and cost-sharing	86 615	104 013
Cost-sharing	840	—
Sub-trust funds	5 723	5 539
Total	**93 178**	**109 552**

Note 26
Capacity “21” Trust Fund

(a) Mandate and goals

The Capacity “21” Trust Fund was operationally closed as at 31 December 2006 and the fund balances transferred to the Capacity 2015 Trust Fund in 2007. The latter trust fund was established after intense consultation within UNDP senior management to provide support for a wider locally focused approach, which is not limited to Agenda 21, but also aimed at developing synergies with other capacity-building initiatives, particularly poverty reduction strategies, multilateral environmental agreements and sustainable development strategies. Capacity “21”, which has a small balance remaining, will be financially closed in 2008.

(b) Unliquidated obligations

The balance of unliquidated obligations shown in schedule 5.1 consists of the following (in thousands of United States dollars):

	2007	*2005*
Executing agents	—	90
Biennial support budget	5	18
Total	**5**	**108**

(c) Unexpended resources

The amounts in schedule 5.1 consist of the following (in thousands of United States dollars):

	Unexpended resources	
	2007	*2005*
Regular resources	73	5 732
Cost-sharing	14	11
Sub-trust funds	5	344
Total	**92**	**6 087**

Note 27
Energy account

(a) Mandate and goals

Established by the UNDP Governing Council in 1980, the UNDP Energy Account is the channel for specific contributions for energy activities within the context of the UNDP Initiative for Sustainable Energy. These activities are aimed at promoting sustainable energy strategies, such as the following:

(i) Utilizing renewable sources of energy to meet the basic energy needs of rural communities and focusing on energy efficiency in residential, commercial and industrial sectors (while renewable energy systems are environmentally benign and have demonstrated their reliability under a wide range of conditions, energy efficiency measures can, at a minimum, reduce carbon dioxide emission and postpone investment by delaying the construction of new fossil fuel-based power plants);

(ii) Contributing to innovative financing mechanisms, such as financing energy services for small-scale energy users to identify and promote ways to provide technically feasible and economically viable renewable energy and energy efficiency services to various types of energy users;

(iii) Mobilizing support for indigenous capacity-building so that countries can identify and make use of new approaches and technological opportunities as well as train entrepreneurs and implement new financial/credit modes;

(iv) Encouraging countries to create a supportive legal, institutional and regulatory climate for sustainable energy development.

(b) Unliquidated obligations

The balance of unliquidated obligations shown in schedule 5.1 consists of the following (in thousands of United States dollars):

	2007	*2005*
Executing agents	—	9
Biennial support budget	—	—
Total	—	**9**

(c) Unexpended resources

The amounts shown in schedule 5.1 consist of the following (in thousands of United States dollars):

	Unexpended resources	
	2007	*2005*
Regular resources and cost-sharing	1 302	1 312
Reimbursable support services	220	592
Total	**1 522**	**1 904**

Note 28
Fund for the Programme of Assistance to the Palestinian People

(a) Mandate and goals

The UNDP Programme of Assistance to the Palestinian People has been operational in the West Bank and the Gaza Strip since 1980, having been mandated by the Governing Council to undertake both technical and capital assistance projects. The Programme is a decentralized assistance programme that reports directly to the office of the Administrator. Most of the activities supported by UNDP are directed at strengthening newly created Palestinian institutions and creating employment opportunities in the occupied territories.

Since the establishment of the Palestinian Authority in the West Bank and the Gaza Strip in May 1994, there has been a redefinition of the Programme's strategies and programme initiatives. As mandated by the programme framework, the Programme's primary counterpart for development activities is the Palestinian implementation capacities of the Palestinian ministries, municipalities and village councils, and civil society organizations. In conjunction with the Palestinian Authority, UNDP is also identifying and launching longer-term types of initiatives, which are essential to the long-term development of the Palestinian territories. Whenever possible, UNDP uses Palestinian implementation networks and expertise.

UNDP, under the auspices of the Programme, has sought to improve the social, economic and environmental conditions of all Palestinians in the occupied territories by implementing specific projects. The development and assistance strategies have resulted from a joint assessment of the top priorities in each sector by the Programme and the Palestinian Authority. The projects reflect a realistic view of what is achievable and readily implementable in each sector, and attempt to narrow down the practically unlimited range of development needs in the West Bank and the Gaza Strip to those specific projects that will provide the most tangible and visible results to the Palestinian people. Many activities of the Programme of Assistance to the Palestinian People are being developed on the basis of a participatory community-based prioritization of local needs. These activities have focused on addressing the issues of democratic governance, poverty reduction, crisis prevention and recovery, energy and environment, information and communications technology and HIV/AIDS. Unfortunately, owing to the situation in Gaza in 2007, UNDP had to suspend or slow down some activities there.

In 2007, the Programme of Assistance to the Palestinian People completed its transition from UNOPS execution to direct execution by UNDP.

(b) Investments

The carrying value of investments for bonds and notes is zero, as disclosed in schedule 8. The decrease of $2,045,740 in the bond value is detailed below:

Beginning value 1 January 2006	*Purchases*	*Maturities*	*Net amortization*	*Carrying value 31/12/2007*	*Movement (decrease)*	*Market value*	*Par value*
2 045 740	—	(2 000 000)	(45 740)	—	(2 045 740)	—	—

(c) Unliquidated obligations

The amounts shown in schedule 5.1 represent unliquidated obligations under direct execution by UNDP.

(d) Unexpended resources

The amounts shown in schedule 5.1 consist of the following (in thousands of United States dollars):

	Unexpended resources	
	2007	*2005*
Regular resources	72 745	28 286
Sub-trust funds	13 943	12 427
Total	**86 688**	**40 713**

(e) Endowment Fund

A contribution of $3 million was received from the Government of Japan in 1998 for the establishment of the Endowment Fund. The objective of this Endowment Fund is to strengthen the planning and managerial capacities of Palestinian institutions, in order to promote sustainable socio-economic development.

That contribution has formed the principal of the Endowment Fund and has been invested separately for the Programme of Assistance to the Palestinian People. It is included in the investment amount of $3,014,000 ($3,063,000 in 2005) in schedule 8.

Under the Endowment Fund mechanism and implementation arrangements, the principal amount will not be available for programming until such time as the Government of Japan and/or UNDP agree to terminate the Endowment Fund. However, interest earned on the fund will be credited to the Programme and become available for programming.

The Programme has established a sub-trust fund project (PAL/98/J07). Investment income generated from the Endowment Fund serves as the source of funding for activities undertaken through this project. This project is included in schedule 5. Throughout the life of the Endowment Fund, a number of Palestinian institutions and their personnel will benefit from training opportunities and support provided through the project.

Note 29
Trust Fund for Rwanda

(a) Mandate and goals

The UNDP Trust Fund for Rwanda was created in April 1995 to enhance UNDP programme activities in support of the Government of Rwanda's Programme of National Reconciliation and Socio-economic Rehabilitation and Recovery as presented at the Round Table Conference at Geneva in January 1995. The purpose of this Fund is to provide assistance to interested Governments and organizations in the following areas:

(a) Restoration of the administrative capacity of the State, including non-traditional development expenditure such as salaries and judiciary expenses;

(b) Recovery of economic activity;

(c) Rehabilitation of social sectors;

(d) Resettlement and reintegration of refugees and displaced persons.

(b) Unliquidated obligations

The amounts shown in schedule 5.1 represent unliquidated obligations of executing agents.

(c) Unexpended resources

The amounts shown in schedule 5.1 consist of the following (in thousands of United States dollars):

	Unexpended resources	
	2007	*2005*
Regular resources	106	71
Sub-trust funds	1 178	1 281
Total	**1 284**	**1 352**

Note 30
Perez-Guerrero Trust Fund for Economic and Technical Cooperation among Developing Countries

(a) Mandate and goals

In accordance with the General Assembly's decision at its forty-first session, in 1996, $5 million of the Trust Fund's resources are held in perpetuity. It was also decided that only interest earnings from the Fund's investments would be available for programming.

(b) Investments

The carrying value of investments for bonds and notes of $3.5 million is disclosed in schedule 8. The decrease of $3,069,240 in the bond value is detailed below:

Beginning value 1 January 2006	*Purchases*	*Maturities*	*Net amortization*	*Carrying value 31/12/2007*	*Movement (decrease)*	*Market value*	*Par value*
6 588 998	—	(3 000 000)	(69 240)	3 519 758	(3 069 240)	3 539 425	3 440 000

Note 31
United Nations Capital Development Fund

(a) Mandate and goals

The United Nations Capital Development Fund (UNCDF) is a multilateral donor organization under the administration of UNDP. It works to reduce poverty in least developed countries by strengthening local government and community institutions, enhancing the private sector, creating mechanisms for the provision of credit to the poor and swapping capital investments for the environmentally sound use of natural resources.

The General Assembly established UNCDF as an autonomous organization within the United Nations system by its resolution 2186 (XXI) of 13 December 1966. The Assembly further decided, by its resolution 2321 (XXII) of 15 December 1967, that the UNDP Administrator would administer the Fund and serve as its Managing Director, while the UNDP Governing Council would act as the Fund's Executive Board.

(b) Cash

The amounts shown in schedule 7 consist of the following (in thousands of United States dollars):

	2007	*2005*
Accumulating non-convertible currencies	480	480
Total	**430**	**480**

(c) Investments

The carrying value of investments for bonds and notes of $2.5 million is disclosed in schedule 8. The decrease of $16,349,992 in the bond value is detailed below:

Beginning value 1 January 2006	*Purchases*	*Maturities*	*Net amortization*	*Carrying value 31/12/2007*	*Movement (decrease)*	*Market value*	*Par value*
18 849 434	—	(16 240 000)	(109 992)	2 499 442	(16 349 992)	2 499 146	2 500 000

(d) Unliquidated obligations

The balance of unliquidated obligations shown in schedule 7 consists of the following (in thousands of United States dollars):

	2007	*2005*
UNCDF-controlled funds	1 254	405
Biennial support budget and others	95	619
Total	**1 349**	**1 024**

(e) Operational reserve

At its twenty-sixth session, in 1979, the Governing Council approved the establishment of an operational reserve at the level of at least 20 per cent of project commitments and contingent liabilities for guarantees entered into by the Fund in respect of bank loans to Governments (excluding sub-trust fund and cost-sharing arrangements). In line with this decision, the operational reserve originally established in 1979, remained unchanged at $22.6 million as at 31 December 2007, as shown in schedule 7.

Note 32
United Nations Development Fund for Women

(a) Mandate and goals

In its resolution 39/125 of 14 December 1984, the General Assembly established the United Nations Development Fund for Women (UNIFEM) to play an innovative and catalytic role in the promotion of women's empowerment and gender equality. More specifically, the Fund's mandate is:

(a) To support innovative and experimental activities benefiting women, in line with national and regional priorities;

(b) To serve as a catalyst, with the goal of ensuring the appropriate involvement of women in mainstream development activities, as often as possible at the pre-investment stage;

(c) To play an innovative and catalytic role in relation to the United Nations overall system of development cooperation.

(b) Investments

The carrying value of investments for bonds and notes of $2.5 million is disclosed in schedule 8. The decrease of $12,006,273 in the bond value is detailed below:

Beginning value 1 January 2006	*Purchases*	*Maturities*	*Net amortization*	*Carrying value 31/12/2007*	*Movement (decrease)*	*Market value*	*Par value*
14 505 826	—	(12 000 000)	(6 273)	2 499 553	(12 006 273)	2 499 146	2 500 000

(c) Unliquidated obligations

The balance of unliquidated obligations shown in schedule 7 consists of the following (in thousands of United States dollars):

	2007	*2005*
Executing agents	2 622	2 498
Biennial support budget	279	247
Total	**2 901**	**2 745**

(d) Partial funding system and operational reserve

In accordance with a 1995 decision of the Executive Board, UNIFEM has been operating under the full funding system since 1 January 1995. The Executive Board temporarily suspended the requirements of the operational reserve and granted UNIFEM the use of the UNDP overdraft facility during the period 1995-1997 up to a maximum drawdown of $4.5 million to cover its prior commitments. No drawdown from the overdraft facility was made.

At its third regular session in 1996, the Executive Board agreed to the re-establishment of the operational reserve at the initial level of $3.0 million (decision 96/43). On 17 January 1997, the Executive Board approved a modified partial funding modality to determine programme approval levels and the associated operational reserve balance.

Under the partial funding modality, the maximum approved level for programming over a three-year period should be the net of a conservative estimate of income realization for the next three years minus administrative costs for that same period. A very conservative estimate of income to be realized for the first year would be equal to the estimated income for that year, calculated on the basis of the pledging conference results and direct consultation with donors. The estimate for the second year would be equal to 50 per cent of the estimated income of the first year, while the estimate for the third year would be equal to 25 per cent of the estimated income of the first year (i.e., 50 per cent of the estimate for the previous year). The administrative costs would be by default equal to three times the current-year costs.

The operational reserve would be set at the annual average expenditure over the programming period, that is, one third of the maximum programme approval level times the estimated delivery rate. In accordance with the modified partial funding modality, the operational reserve was $14.1 million as at 31 December 2007.

(e) Unexpended resources

The amounts shown in schedule 7 consist of the following (in thousands of United States dollars):

	Unexpended resources	
	2007	*2005*
Regular resources	24 312	12 725
Cost-sharing	41 789	23 660
Sub-trust funds	19 074	3 862
Total	**85 175**	**40 247**

Note 33
United Nations Volunteers programme

(a) Mandate and goals

Set up by the General Assembly in 1970, under the general aegis of UNDP, the United Nations Volunteers programme strives:

(a) To directly promote volunteer contributions to development by helping to better define and make known volunteer roles in development, by recruiting and fielding United Nations Volunteers and by stimulating the establishment of local volunteer and youth schemes;

(b) To provide a global facility, under the United Nations system, that allows United Nations Volunteers to serve people through Governments, United Nations agencies, international organizations, community-based organizations and non-governmental organizations by direct placement, by helping to establish networks and by providing information and channels for contact.

In so doing, the United Nations Volunteers programme demonstrates the following features:

(a) A special kind of contribution, noted for its spirit of solidarity and partnership, to a wide range of technical cooperation activities;

(b) Effective support to humanitarian aid programmes;

(c) Assistance to the United Nations peacemaking and peacebuilding activities;

(d) Targeted support to community-based participatory development, especially among low-income groups;

(e) The ability to mobilize volunteer human resources from all over the world, including from developing countries;

(f) The willingness to adjust its policies and procedures to local conditions and needs;

(g) The advantage of building on the institutional presence and development involvement of UNDP and the United Nations system in virtually all developing countries;

(h) The ability to provide a flexible response, including the use of mixed teams of international and national volunteers;

(i) The proactive promotion of volunteer effort in areas of strategic relevance, such as urban development.

(b) Biennial support budget: core activities

The United Nations Volunteers biennial support budget of $35.1 million ($30.5 million in 2005) is included in the UNDP regular resources biennial budget and is detailed in schedule 3.

(c) Recovery of external costs

At its thirty-ninth session, in 1992, the Governing Council revised the guidelines for the use of the Special Voluntary Fund and the procedures for recovering external costs. It was decided that, except in situations where special financing was available, the external costs of volunteers would be charged fully to project budgets on the basis of a pro forma cost. Any difference between pro forma costs and actual costs would be absorbed by the Special Voluntary Fund.

During the biennium, external costs totalling $1,934,500 ($2,228,504 in 2005) were recovered and credited to the Fund. This amount is shown as part of accounts payable of $6,278,268 (other income of $5,102,560 in 2005) in schedule 6.

(d) Investments

The carrying value of investments for bonds and notes is zero, as disclosed in schedule 8. The decrease of $7,969,122 in the bond value is detailed below:

Beginning value 1 January 2006	*Purchases*	*Maturities*	*Net amortization*	*Adjustments*	*Carrying value 31/12/1007*	*Market value*	*Par value*
7 969 122	—	(8 000 000)	(64 044)	94 922	—	—	—

(e) Other accounts receivable and deferred charges

The amount of $8,063,890 ($9,976,472 in 2005) shown in schedule 6 includes the following: (a) $4,558,083 ($6,338,706 in 2005) due from various country offices for insurance and sundry charges in respect of volunteers attached to nationally executed projects and other UNDP managed special arrangements; (b) $2,321,881 ($2,401,211 in 2005) due from various country offices and United Nations agencies with respect to rejected inter-office vouchers; and (c) $450,117 ($625,033 in 2005) due from the United Nations for UNV headquarters-administered charges including overhead in respect of volunteers attached to agency-executed project activities.

(f) Unliquidated obligations

The balance of unliquidated obligations shown in schedule 6 consists of the following (in thousands of United States dollars):

	2007	*2005*
Reimbursable support activities	402	195
Special Voluntary Fund activities	146	756
Sub-trust fund activities	55	142
Other fund activities	315	207
Total	**918**	**1 300**

(g) Special Voluntary Fund

At its thirty-ninth session, in 1992, the Governing Council, decided that the income accruing to the Special Voluntary Fund from voluntary contributions and interest income would be utilized to meet expenditure for pilot and experimental projects, the briefing of United Nations Volunteers specialists and the training of domestic development services country specialists and field workers, special recruitment campaigns and other projects of a similar nature. Prior to this decision, 85 per cent of the income accruing to the Special Voluntary Fund was used to meet external costs of volunteers. Project budgets were charged an assessed amount to cover external costs that were not met by the Special Voluntary Fund.

(h) Unexpended resources

The amounts shown in schedule 6 consist of the following (in thousands of United States dollars):

	Unexpended resources	
	2007	*2005*
Regular resources	25 526	21 029
Cost-sharing	4 550	2 709
Sub-trust funds	18 192	18 225
Fully funded arrangements	13 787	12 942
United Nations joint venture	(1 248)	(7 912)
Reimbursable support services activities	12 102	7 442
Total	**72 909**	**54 435**

(i) Contribution receivable

The following contributions receivable amount as at 31 December 2007 is not included on schedule 6:

	2007
Regular resources	379
United Nations joint venture	4 328
Total	**4 707**

Note 34

Contributions due from Governments and other contributors for funds and trust funds administered by UNDP as at 31 December 2007

(Thousands of United States dollars)

	Voluntary contributions				*Cost-sharing contributions*			*Total voluntary and cost-sharing contributions*	*Contributions to sub-trust funds*			*Total contributions due*
	2005 and prior years	*2006*	*2007*	*Total*	*2006 and prior years*	*2007*	*Total*		*2006 and prior years*	*2007*	*Total*	
Trust funds												
UNDP/EC Ministerial on Poverty and Environment	58	—	—	58	—	—	—	58	—	—	—	58
EEC Trust Fund for Support to the Parliamentary and Presidential Elections in Suriname	127	—	—	127	—	—	—	127	—	—	—	127
EEC Trust Fund for Developpement de l'information Miniere de Base	480	—	—	480	—	—	—	480	—	—	—	480
EEC (ECHO) Trust Fund for Strengthening of coping capacities of populations affected by the Maramara Earthquake in Turkey	452	—	—	452	—	—	—	452	—	—	—	452
EEC (ECHO) Trust Fund Agreement for Comprehensive Shelter and Sanitation in the Earthquake affected Areas in Turkey	982	—	—	982	—	—	—	982	—	—	—	982
Sida Trust Fund for Assistance to UNDP Specific Activities	—	—	1 230	1 230	—	—	—	1 230	—	—	—	1 230
EEC Trust Fund for Support to Observation of the Election Process in Côte d'Ivoire	25	—	—	25	—	—	—	25	—	—	—	25
EEC Trust Fund for Support to Social Infrastructure project — Rehabilitation of 3.5 km Roadway from Port-de Paix to Jean Rabel, Haiti	132	—	—	132	—	—	—	132	—	—	—	132

	Voluntary contributions				*Cost-sharing contributions*			*Total voluntary and cost-sharing contributions*	*Contributions to sub-trust funds*			*Total contributions due*
	2005 and prior years	*2006*	*2007*	*Total*	*2006 and prior years*	*2007*	*Total*		*2006 and prior years*	*2007*	*Total*	
EEC Trust Fund for Mediterranean Urban Waste Management Programme	256	—	—	256	—	—	—	256	—	—	—	256
ECHO/Jamaica Trust Fund for Community Disaster Management Strengthening Programme	36	—	—	36	—	—	—	36	—	—	—	36
EEC Trust Fund for Emergency Mine Action in Mozambique	285	—	—	285	—	—	—	285	—	—	—	285
EEC Trust Fund for Temporary Shelter for the Poor and Vulnerable Groups in Gujarat, India	20	—	—	20	—	—	—	20	—	—	—	20
EEC Trust Fund for Support to the Electoral Process in Comoros	297	—	—	297	—	—	—	297	—	—	—	297
ECHO Trust Fund for Rehabilitation of Water Treatment Plant, Water Pumping and Sewage Pumping Stations in Baghdad	85	—	—	85	—	—	—	85	—	—	—	85
EEC Trust Fund for Support to the Constituent Elections in East Timor	292	—	—	292	—	—	—	292	—	—	—	292
EEC Trust Fund for Local Economic Rehabilitation in the war-affected and other most disadvantaged regions in Croatia	341	—	—	341	—	—	—	341	—	—	—	341
EEC Trust Fund for Rapid Employment Programme in South Serbia	1 475	—	—	1 475	—	—	—	1 475	—	—	—	1 475
EEC Trust Fund pour applui a la rehabilitation de l'institution des Bashingantahe pour la reconciliation a Burundi	583	—	—	583	—	—	—	583	—	—	—	583
EEC Trust Fund for Azerbaijan Landmine Impact Survey	383	—	—	383	—	—	—	383	—	—	—	383
EEC Trust Fund for Somalia Landmine Impact Survey	49	—	—	49	—	—	—	49	—	—	—	49

	Voluntary contributions				Cost-sharing contributions			Total voluntary and cost-sharing contributions	Contributions to sub-trust funds			Total contributions due
	2005 and prior years	2006	2007	Total	2006 and prior years	2007	Total		2006 and prior years	2007	Total	
EEC Trust Fund Reinsertion des jeunes deplaces et ex-Combattants et Remassage des Armes Legeres	110	—	—	110	—	—	—	110	—	—	—	110
EEC Trust Fund for Integrated Return Programme for Central Bosnia (Phase IV)	328	—	—	328	—	—	—	328	—	—	—	328
ECHO Trust Fund for Emergency Rehabilitation of Rural Water Supply Systems in Khatlon and Sughd Regions of Tajikistan	248	—	—	248	—	—	—	248	—	—	—	248
EEC Trust Fund for Recovery and Employment Afghanistan Programme (REAP)	583	—	—	583	—	—	—	583	—	—	—	583
EEC/CROATIA Trust Fund for Income Generation and SME Support — Quick Impact Facility (QIF)	384	—	—	384	—	—	—	384	—	—	—	384
EEC Trust Fund for Combating Trafficking in Women in the Republic of Belarus	132	—	—	132	—	—	—	132	—	—	—	132
EEC Trust Fund for Enhancement of Permanent Environmental Awareness Unit at the Ministry of Environment in Lebanon	216	—	—	216	—	—	—	216	—	—	—	216
ECHO Trust Fund for Humanitarian Rehabilitation of Water and Sanitation Facilities in Baghdad	510	—	—	510	—	—	—	510	—	—	—	510
EEC Trust Fund for Partnership for Governance Reform in Indonesia	5 803	—	—	5 803	—	—	—	5 803	—	—	—	5 803
EEC Trust Fund for Rehabilitation des pistes rurales suivant la methode a haute intensite de main d'oeuvre en Republique du Congo	713	—	—	713	—	—	—	713	—	—	—	713
EEC Trust Fund for Poverty and Environment Initiative — Phase II	1 153	—	—	1 153	—	—	—	1 153	—	—	—	1 153

	Voluntary contributions				Cost-sharing contributions			Total voluntary and cost-sharing contributions	Contributions to sub-trust funds			Total contributions due
	2005 and prior years	2006	2007	Total	2006 and prior years	2007	Total		2006 and prior years	2007	Total	
EEC Trust Fund for Afghanistan Landmine Impact Survey	320	—	—	320	—	—	—	320	—	—	—	320
EEC/Cyprus Partnership for the Future-Rehabilitation of Old Nicosia, Phase 3	236	—	—	236	—	—	—	236	—	—	—	236
EEC/Laos Trust Fund for Service Delivery and Resettlement Options for Development Planning	255	—	—	255	—	—	—	255	—	—	—	255
EEC Trust Fund for Support to Capacity Building for Information Management in Afghanistan	292	—	—	292	—	—	—	292	—	—	—	292
EEC Project I Caspian Center for Water Level Fluctuations and Project II Caspian Environment Programme	20	—	—	20	—	—	—	20	—	—	—	20
EEC TF for Enhancing Good Governance through Support to SACB Secretariat	275	—	—	275	—	—	—	275	—	—	—	275
EEC Trust Fund for Support to RRU Relief Information and Verification Activities in Zimbabwe	81	—	—	81	—	—	—	81	—	—	—	81
EEC Trust Fund for the Return of Refugees and DPs through an increased involvement of domestic authorities in Bosnia	676	—	—	676	—	—	—	676	—	—	—	676
EEC Trust Fund Stability Pact/UNDP Regional Clearing House on Small Arms and Light Weapons (SALW) — Southeastern Europe	20	—	—	20	—	—	—	20	—	—	—	20
EEC Trust Fund for Drug Control Multisectoral Assistance and Institutional Building in Ukraine, Moldova and Belarus (BUMAD I)	292	—	—	292	—	—	—	292	—	—	—	292

	Voluntary contributions				*Cost-sharing contributions*			*Total voluntary and cost-sharing contributions*	*Contributions to sub-trust funds*			*Total contributions due*
	2005 and prior years	*2006*	*2007*	*Total*	*2006 and prior years*	*2007*	*Total*		*2006 and prior years*	*2007*	*Total*	
EEC/Lebanon LIFE Third Countries — Technical Assistance to reinforce Governance in Environmental Tasks	177	—	—	177	—	—	—	177	—	—	—	177
EEC/Djibouti pour la Reinsertion des deplaces et endommages dans les zones affectees par le conflit	469	—	—	469	—	—	—	469	—	—	—	469
EEC Trust Fund for Support to an Expanded National Mine Action Coordination Capacity in Angola	976	—	—	976	—	—	—	976	—	—	—	976
EEC Trust Fund for Ethiopia Landmine Impact Survey	292	—	—	292	—	—	—	292	—	—	—	292
EEC Trust Fund for Support to Nigeria Election Observation Mission	140	—	—	140	—	—	—	140	—	—	—	140
EEC Trust Fund for Mine Action Capacity Building and Landmine Impact Survey in Somalia	313	—	—	313	—	—	—	313	—	—	—	313
EEC Trust Fund to Support the Legal Advisory Unit in the Office of the United Nations Resident Coordinator in Zimbabwe	9	—	—	9	—	—	—	9	—	—	—	9
ECHO Trust Fund for Enhanced United Nations Security Operations in Support of Humanitarian Aid Efforts in Sudan	229	—	—	229	—	—	—	229	—	—	—	229
EEC/Afghanistan Trust Fund for Establishment of the National Livelihood based Food Security and Nutritional Surveillance System	57	—	—	57	—	—	—	57	—	—	—	57
EEC Trust Fund for Border Management Programme for Central Asia (BOMCA) — First Phase, Management Training	193	—	—	193	—	—	—	193	—	—	—	193
EEC Trust Fund for Radar Early Warning in the Caribbean	35	—	—	35	—	—	—	35	—	—	—	35

	Voluntary contributions				Cost-sharing contributions			Total voluntary and cost-sharing contributions	Contributions to sub-trust funds			Total contributions due
	2005 and prior years	*2006*	*2007*	*Total*	*2006 and prior years*	*2007*	*Total*		*2006 and prior years*	*2007*	*Total*	
EEC Trust Fund to Support Poverty Reduction and Strategy Papers (PRSP) — Serbia and Montenegro	28	—	—	28	—	—	—	28	—	—	—	28
EEC Trust Fund for Support to Coordination and Management Planning through the Office of the United Nations Resident Coordinator and Humanitarian Coordinator in the Sudan	46	—	—	46	—	—	—	46	—	—	—	46
EEC Trust Fund for Water and Sanitation Observatory of Guatemala	2 009	—	—	2 009	—	—	—	2 009	—	—	—	2 009
EEC Trust Fund for Support to Development Posts for the Government of East Timor	155	—	—	155	—	—	—	155	—	—	—	155
EEC Trust Fund for the Prevention of the Diversion of Chemical Precursors for the Scope of Drug Manufacturing in the Andean Regions	233	—	—	233	—	—	—	233	—	—	—	233
EEC Trust Fund Law and Order Trust Fund for Afghanistan (LOFTA II)	—	—	3 644	3 644	—	—	—	3 644	—	—	—	3 644
EEC Trust Fund for Voter Registration Project in Afghanistan	—	286	—	286	—	—	—	286	—	—	—	286
EEC/EAR for Continuation of UNDP Program of Institutional Support to the Auction Centre of the Privatization Agency	—	—	18	18	—	—	—	18	—	—	—	18
EEC Trust fund Support for the Document Management System at the Kosovo Assembly	31	—	—	31	—	—	—	31	—	—	—	31
EEC Trust fund EU-India Disaster Preparedness Programme	—	—	1 611	1 611	—	—	—	1 611	—	—	—	1 611

	Voluntary contributions				*Cost-sharing contributions*			*Total voluntary and cost-sharing contributions*	*Contributions to sub-trust funds*			*Total contributions due*
	2005 and prior years	*2006*	*2007*	*Total*	*2006 and prior years*	*2007*	*Total*		*2006 and prior years*	*2007*	*Total*	
EEC Trust Fund for Promoting the Rights of Women and Children through Information (Tunisia, Lebanon, Egypt)	488	86	—	574	—	—	—	574	—	—	—	574
EEC Trust Fund for Drug Control Multisectoral Assistance and Institution Building in Ukraine, Moldova and Belarus (BUMAD 2)	—	364	—	364	—	—	—	364	—	—	—	364
EEC Trust fund Capacity Support to Azerbaijan National Agency for Mine Action (ANAMA)	52	—	—	52	—	—	—	52	—	—	—	52
EEC Trust Fund for Armenia Demining Programme	—	177	204	381	—	—	—	381	—	—	—	381
EEC Trust fund Georgia 2004 Elections	—	292	—	292	—	—	—	292	—	—	—	292
EEC Trust Fund for Capacity Building to the National Demining Institute in Mozambique	—	146	—	146	—	—	—	146	—	—	—	146
EEC Trust Fund for Improving Market Access for Drylands Commodities	—	537	—	537	—	—	—	537	—	—	—	537
EEC Trust Fund for Integrated Waste Management for the Olive-oil pressing industries in Lebanon, Syria and Jordan	323	932	253	1 508	—	—	—	1 508	—	—	—	1 508
EEC Trust Fund for Business Support Project, Phase II — Cyprus	—	190	—	190	—	—	—	190	—	—	—	190
EEC Trust fund Feasibility Studies for Economic Development Projects	—	146	—	146	—	—	—	146	—	—	—	146
EEC Trust Fund for CARDS Programme — Albania Support for Trade Regulation	—	169	—	169	—	—	—	169	—	—	—	169
EEC Trust Fund for PFF: Landmine and Ordnance Clearance in Cyprus	—	364	—	364	—	—	—	364	—	—	—	364

	Voluntary contributions				*Cost-sharing contributions*			*Total voluntary and cost-sharing contributions*	*Contributions to sub-trust funds*			*Total contributions due*
	2005 and prior years	*2006*	*2007*	*Total*	*2006 and prior years*	*2007*	*Total*		*2006 and prior years*	*2007*	*Total*	
EEC Trust Fund for "Republic of Congo — Collecte et destruction des armes"	—	40	1 225	1 265	—	—	—	1 265	—	—	—	1 265
EEC Trust Fund for Comoros Transition	45	—	—	45	—	—	—	45	—	—	—	45
EEC Trust Fund for Support to the Mine Action Capacity Building Programme in Eritrea	437	146	—	583	—	—	—	583	—	—	—	583
EEC Trust Fund for Enhancement of Living Standards in Karakalpakstan — Republic of Uzbekistan	—	15	—	15	—	—	—	15	—	—	—	15
EEC Trust Fund for "Appui a la Transition democratique election — 2004/2005 de la Republique Centraficaine (CAF)"	427	—	—	427	—	—	—	427	—	—	—	427
EEC Trust Fund for Enhancing Border Control Management in Moldova	270	—	—	270	—	—	—	270	—	—	—	270
EEC Trust Fund for Strengthening Effectiveness and Transparency of the Parliament of Georgia	163	—	—	163	—	—	—	163	—	—	—	163
EEC Trust Implementation of the Ottawa Convention through the disposal of stockpiled anti-personnel landmines in Angola		219	—	219	—	—	—	219	—	—	—	219
EEC Trust Fund CARDS 2003 Programme Albania — Kukes Regional Development Initiative (KRDI), Community Infrastructure		364	—	364	—	—	—	364	—	—	—	364
EEC Trust Fund for Support to results-based approach — Partnership for Local Development (SUTRA-PLOD)	—	2 457	430	2 887	—	—	—	2 887	—	—	—	2 887
EEC Trust Fund for the Promotion of Good Governance in Iran	—	442	442	884	—	—	—	884	—	—	—	884

	Voluntary contributions				Cost-sharing contributions			Total voluntary and cost-sharing contributions	Contributions to sub-trust funds			Total contributions due
	2005 and prior years	2006	2007	Total	2006 and prior years	2007	Total		2006 and prior years	2007	Total	
EEC Trust Fund for Humanitarian Demining in Chile	—	—	80	80	—	—	—	80	—	—	—	80
EEC Trust Fund for Electoral Support Project for the Supreme Commission for Elections and Reference (SCER) of Yemen	—	56	36	92	—	—	—	92	—	—	—	92
EEC Trust Fund for Support to Elections in Côte d'Ivoire	—	17	—	17	—	—	—	17	—	—	—	17
EEC Trust Fund for Support to the Khmer Rouge Tribunal (KRT) — Cambodia	—	—	528	528	—	—	—	528	—	—	—	528
EEC Trust Fund for Access to Justice at the District Level (AJDL) in Afghanistan	—	3 249	729	3 978	—	—	—	3 978	—	—	—	3 978
EEC Trust fund Support to the Establishment of the Afghan Legislature (SEAL)	—	875	—	875	—	—	—	875	—	—	—	875
EEC Trust Fund for Civil Society Participation in Poverty Reduction Strategy and Support to Social Innovation Fund — Serbia and Montenegro	—	875	7	882	—	—	—	882	—	—	—	882
EEC Trust Fund for Legislation Database Project in Bosnia-Herzegovina	—	58	—	58	—	—	—	58	—	—	—	58
EEC Trust fund Support to the Rule of Law and Security (ROLS) Programme for Somalia	—	—	583	583	—	—	—	583	—	—	—	583
EEC Trust fund for Support to Electoral Process in Burundi	—	1 388	—	1 388	—	—	—	1 388	—	—	—	1 388
EEC Trust Fund for Post-Conflict Community-based Recovery and Rehabilitation Programme for Sudan	—	—	15 236	15 236	—	—	—	15 236	—	—	—	15 236
EEC Trust Fund for Election Observation Mission to Lebanon	—	549	—	549	—	—	—	549	—	—	—	549

	Voluntary contributions				*Cost-sharing contributions*			*Total voluntary and cost-sharing contributions*	*Contributions to sub-trust funds*			*Total contributions due*
	2005 and prior years	*2006*	*2007*	*Total*	*2006 and prior years*	*2007*	*Total*		*2006 and prior years*	*2007*	*Total*	
EEC Trust Fund for Support to the Technical Assistance Project for Electoral Law Reform in Lebanon	—	24	—	24	—	—	—	24	—	—	—	24
Somalia-Financial Sector Development Project	—	—	219	219	—	—	—	219	—	—	—	219
EEC Trust Fund for "Apoio ao Desenvolvimento de Sector Privado: financiamento de Apoio ao PMEs em Mozambique"	—	36	—	36	—	—	—	36	—	—	—	36
EEC Trust Fund for Border Management Programme for Central Asia, Fourth Phase, Second Allocation (BOMCA 4.2)	—	3 013	700	3 713	—	—	—	3 713	—	—	—	3 713
Strengthening the Capacity of the National Assembly and Supporting LAO PDR Participation in the Rome Statute of the International Criminal Court	—	466	425	891	—	—	—	891	—	—	—	891
EEC Trust fund Support in addressing the social consequences of transition in the Feghana Valley, Kyrgyzstan	—	538	326	864	—	—	—	864	—	—	—	864
EEC Trust fund Support in addressing the social consequences of transition in the Feghana Valley, Tajikistan	—	—	109	109	—	—	—	109	—	—	—	109
EEC Trust Fund for Afghanistan — Access to Justice at the District Level (AJDL)-1M	—	650	146	796	—	—	—	796	—	—	—	796
Egypt FGM — Free Village Model: Demonstration of a Partnership	—	—	753	753	—	—	—	753	—	—	—	753
EEC Trust Fund for Election Observation Mission to Burundi	—	363	—	363	—	—	—	363	—	—	—	363
Afghanistan — Access to Justice at the District Level (AJDL)	—	92	797	889	—	—	—	889	—	—	—	889

	Voluntary contributions				Cost-sharing contributions			Total voluntary and cost-sharing contributions	Contributions to sub-trust funds			Total contributions due
	2005 and prior years	2006	2007	Total	2006 and prior years	2007	Total		2006 and prior years	2007	Total	
EEC Trust Fund for Law and Order Trust Fund for Afghanistan — Phase III	—	11 662	2 915	14 577	—	—	—	14 577	—	—	—	14 577
EEC Trust Fund for Support to Special Envoy to Gaza Withdrawal	—	180	—	180	—	—	—	180	—	—	—	180
EEC Trust Fund for Support to the organization of local, legislative and presidential elections in Haiti	—	722	—	722	—	—	—	722	—	—	—	722
EEC Trust Fund for Election Observation Mission to Liberia	—	593	—	593	—	—	—	593	—	—	—	593
EEC Trust Fund for Ethiopia — Support to the Sustainable Development of Poverty Reduction Programme	—	292	—	292	—	—	—	292	—	—	—	292
EEC Trust Fund for Kenya Integrated Household Budget Survey (KIHBS)	—	73	—	73	—	—	—	73	—	—	—	73
EEC Trust Fund for HIV/STI Prevention among Uniformed Services in Ukraine	—		1 113	1 113	—	—	—	1 113	—	—	—	1 113
EEC Trust Fund for Consolidation of Democracy and Support to Election Activities 2005 in Suriname	—	140	—	140	—	—	—	140	—	—	—	140
EEC Trust Fund for "Appui a la mise en place des centres de brassage dans le cadre de la Reforme du Secteur Securitaire en RDC (DRC)"	—	109	—	109	—	—	—	109	—	—	—	109
EEC Trust Fund for "Appui aux elections presidentielles 2005 au Togo"	—	42	—	42	—	—	—	42	—	—	—	42
EEC Trust Fund for China Biodiversity Programme	—	26 281	722	27 003	—	—	—	27 003	—	—	—	27 003

	Voluntary contributions				Cost-sharing contributions			Total voluntary and cost-sharing contributions	Contributions to sub-trust funds			Total contributions due
	2005 and prior years	2006	2007	Total	2006 and prior years	2007	Total		2006 and prior years	2007	Total	
Fond de reponse rapide pour des actions d'urgence contre les mines en Angola	—	—	292	292	—	—	—	292	—	—	—	292
Appui institutionnel au CNIDAH, au niveau national et provincial — Actions contre les mines: 2005-2006 — Angola	—	—	292	292	—	—	—	292	—	—	—	292
EEC Trust Fund for Secretariat Support Services for Coordination between the International Community and Somalia	—	36	—	36	—	—	—	36	—	—	—	36
EEC Trust Fund for Somalia Joint Needs Assessment	—	—	179	179	—	—	—	179	—	—	—	179
Feasibility Studies for Economic Development Projects — II	—	623	146	769	—	—	—	769	—	—	—	769
Chittagong Hill Tracts Development Facility	—	4 656	539	5 195	—	—	—	5 195	—	—	—	5 195
EEC Trust Fund for Border Assistance Mission to Moldova and Ukraine	—	369	—	369	—	—	—	369	—	—	—	369
EEC Trust Fund for Seychelles — Post-Tsunami Rehabilitation Efforts	—	—	102	102	—	—	—	102	—	—	—	102
EEC Trust Fund for BOMCA 5 — Border Management Programme for Central Asia, Phase 5	—	—	612	612	—	—	—	612	—	—	—	612
EEC Trust Fund for CADAP 3 — Central Asia Drug Action Programme, Phase 3	—	—	437	437	—	—	—	437	—	—	—	437
Appui a l'organisation de la Table Ronde des baiilleurs de fonds de Sao Tome et Principe, 2005	—	15	—	15	—	—	—	15	—	—	—	15
EEC Trust Fund for "Appui au processus electoral en Guinee"	—	146	—	146	—	—	—	146	—	—	—	146

	Voluntary contributions				*Cost-sharing contributions*			*Total voluntary and cost-sharing contributions*	*Contributions to sub-trust funds*			*Total contributions due*
	2005 and prior years	*2006*	*2007*	*Total*	*2006 and prior years*	*2007*	*Total*		*2006 and prior years*	*2007*	*Total*	
EEC Trust Fund for Counter Narcotics Trust Fund in Afghanistan (CNTF)	—	4 373	—	4 373	—	—	—	4 373	—	—	—	4 373
EEC Trust Fund for Fostering knowledge transfer and the replication of best practices in disaster preparedness and risk reduction within the Caribbean	—	117	—	117	—	—	—	117	—	—	—	117
EEC Trust Fund for "Programme d'appui a la Bonne Gouvernance au Tchad"	—	994	311	1 305	—	—	—	1 305	—	—	—	1 305
EEC Trust Fund for Integrated Mine Action Programme in Azerbaijan (IMAPA)	—	292	—	292	—	—	—	292	—	—	—	292
EEC Trust Fund for Modernization of the Customs Services of the Republic of Azerbaijan	—	233	—	233	—	—	—	233	—	—	—	233
EEC Trust Fund for Rehabilitation Programme for the Georgian/Abkhaz Conflict Zone	—	—	37	37	—	—	—	37	—	—	—	37
EEC Trust Fund for Assistance to UNDP Support for Minefield Technical Survey in Sri Lanka	—	292	292	584	—	—	—	584	—	—	—	584
EEC Trust Fund for Searching for a compromise in order to reach Lisbon Strategy and Millennium Development Goals	—	47	—	47	—	—	—	47	—	—	—	47
EEC Trust Fund for Promotion of Human Rights Culture in Iraq	—	—	379	379	—	—	—	379	—	—	—	379
Enhancing Border Management in Ukraine — BOMUK 2	—	—	1 342	1 342	—	—	—	1 342	—	—	—	1 342
Disaster Risk Reduction at the National Level in Nepal	—	—	79	79	—	—	—	79	—	—	—	79

	Voluntary contributions				Cost-sharing contributions			Total voluntary and cost-sharing contributions	Contributions to sub-trust funds			Total contributions due
	2005 and prior years	2006	2007	Total	2006 and prior years	2007	Total		2006 and prior years	2007	Total	
EEC Trust Fund for the Promotion of a wider application of international human rights standards in the administration of justice in Belarus	—	—	453	453	—	—	—	453	—	—	—	453
Security Sector Reform Programme (SSSR) — Albania	—	—	219	219	—	—	—	219	—	—	—	219
Action against anti-personnel Landmines in Somalia	—	—	525	525	—	—	—	525	—	—	—	525
EEC trust fund A New Agenda for Social Cohesion and Democratic Development in Latin America	—	—	352	352	—	—	—	352	—	—	—	352
EEC Trust fund Regional Strengthening and Disaster Risk Reduction in Major Cities in the Andean Community (Bolivia)	—	—	87	87	—	—	—	87	—	—	—	87
EEC Trust Fund for Developing a Comprehensive Framework for Preventing and Combating Discrimination	—	—	58	58	—	—	—	58	—	—	—	58
Interim Disarmament, Demobilization and Reintegration	—	—	5 248	5 248	—	—	—	5 248	—	—	—	5 248
Small Grant Facility within the frame of Western Tian Shan	—	—	45	45	—	—	—	45	—	—	—	45
Consumer Society and Citizen Networks — Ukraine	—	—	2 064	2 064	—	—	—	2 064	—	—	—	2 064
Appui a la securisation des elections	—	—	1 166	1 166	—	—	—	1 166	—	—	—	1 166
European Union Border Assistance Mission to Moldova	—	—	583	583	—	—	—	583	—	—	—	583
Support to the Aceh Local Elections (ALES) in Indonesia	—	—	109	109	—	—	—	109	—	—	—	109
Joint Support Programme to the National Monitoring	—	—	364	364	—	—	—	364	—	—	—	364

	Voluntary contributions				*Cost-sharing contributions*			*Total voluntary and cost-sharing contributions*	*Contributions to sub-trust funds*			*Total contributions due*
	2005 and prior years	*2006*	*2007*	*Total*	*2006 and prior years*	*2007*	*Total*		*2006 and prior years*	*2007*	*Total*	
Rehabilitation du centre de formation de la Police Nationale	—	—	11	11	—	—	—	11	—	—	—	11
Somalia Emergency Budgetary Support Project	—	—	248	248	—	—	—	248	—	—	—	248
Ecological and financial sustainable management of the Guiana Shield Eco-region, Guyana	—	—	656	656	—	—	—	656	—	—	—	656
Capacity Development for Good Aid Management, Sudan	—	—	1 288	1 288	—	—	—	1 288	—	—	—	1 288
European Union Election Observation Mission to Yemen 2006		—	898		—	—	—	—	—	—	—	—
Sustainable Water System Rehabilitation Tajikistan		—	73		—	—	—	—	—	—	—	—
Somalia Institutional Support Project	—	—	1 775	1 775	—	—	—	1 775	—	—	—	1 775
EEC trust fund Regional Strengthening and Disaster Risk Reduction in Major Cities in the Andean Community (Bolivia)	—	—	87	87	—	—	—	87	—	—	—	87
Capacity Building for Integrated Water Management in Africa and the Caribbean	—	—	2 164	2 164	—	—	—	2 164	—	—	—	2 164
EC Support to Bangladesh Disaster Preparedness	—	—	9 462	9 462	—	—	—	9 462	—	—	—	9 462
State Border — BOMMOLUK-1	—	—	1 198	1 198	—	—	—	1 198	—	—	—	1 198
e-Government at the Council of Ministers of Bosnia Herzegovina	—	—	390	390	—	—	—	390	—	—	—	390
Support to Justice for Peace and Development in Aceh	—	—	1 816	1 816	—	—	—	1 816	—	—	—	1 816
EEC Trust Fund for Seychelles Capacity Building of State and Non-State Actors in the Seychelles	—	—	368	368	—	—	—	368	—	—	—	368

	Voluntary contributions				Cost-sharing contributions			Total voluntary and cost-sharing contributions	Contributions to sub-trust funds			Total contributions due
	2005 and prior years	2006	2007	Total	2006 and prior years	2007	Total		2006 and prior years	2007	Total	
EC Trust Fund for Strengthening the National Capacity for disaster prevention and preparedness in the Dominican Republic	—	—	3 341	3 341	—	—	—	3 341	—	—	—	3 341
Election Observation Mission to Nicaragua 2006	—	—	927	927	—	—	—	927	—	—	—	927
Support to the 2006-2008 electoral cycle in the Gambia	—	—	179	179	—	—	—	179	—	—	—	179
European Millennium Campaign against Poverty	—	—	97	97	—	—	—	97	—	—	—	97
Regional Conference to Promote Corporate Social Responsibility	—	—	12	12	—	—	—	12	—	—	—	12
Appui a l'election presidentielle aux Comores	—	—	40	40	—	—	—	40	—	—	—	40
EEC trust fund Joint Donor Basket Fund to Support Nigeria 2007 Elections	—	—	1 458	1 458	—	—	—	1 458	—	—	—	1 458
EEC Trust fund Saravane Governance, Public Administration Reform and Decentralization Service Delivery Project	—	—	182	182	—	—	—	182	—	—	—	182
EEC Trust fund Enhancing the Contribution of International Law to the Strengthening the Rule of Law in the LAO PDR	—	—	146	146	—	—	—	146	—	—	—	146
EEC Trust fund for Western Balkans SALV Control Support Plan 2007	—	—	437	437	—	—	—	437	—	—	—	437
EEC Trust fund Law and Order Trust Fund for Afghanistan — Phase IV (LOFTA)	—	—	8 746	8 746	—	—	—	8 746	—	—	—	8 746
EEC Trust fund for The ACE Practitioners' Network	—	—	651	651	—	—	—	651	—	—	—	651

	Voluntary contributions				Cost-sharing contributions			Total voluntary and cost-sharing contributions	Contributions to sub-trust funds			Total contributions due
	2005 and prior years	*2006*	*2007*	*Total*	*2006 and prior years*	*2007*	*Total*		*2006 and prior years*	*2007*	*Total*	
EEC trust fund Cyprus/Support for Private Sector Development within the Turkish Cypriot Community	—	—	1 079	1 079	—	—	—	1 079	—	—	—	1 079
EEC trust fund Cyprus/Support for Upgrading of Local and Urban Infrastructure in Northern Cyprus	—	—	2 915	2 915	—	—	—	2 915	—	—	—	2 915
Central Asia Drug Action Programme, Phase 4	—	—	2 538	2 538	—	—	—	2 538	—	—	—	2 538
European Commission CARDS 2004 Programme-Albania-Kukes Regional Development Initiative, Phase II	—	—	496	496	—	—	—	496	—	—	—	496
EEC trust fund Peru/Support for Conflict prevention in Peru: Development of conflict management capacities and dialogue promotion at the local level	—	—	118	118	—	—	—	118	—	—	—	118
EEC Trust fund Programa de recuperacion Ambiental Comunitario par Combatir la Desertificacion en Chile	—	—	285	285	—	—	—	285	—	—	—	285
EEC trust fund Somalia/Support for Emergency Technical Assistance to Somali Administrations	—	—	867	867	—	—	—	867	—	—	—	867
EEC trust fund Russia/Support to Ensure Safety and Security of the United Nations and Humanitarian Aid Agencies Delivering Assistance and Supporting Recovery in the Expanded Operational Areas of the North Caucasus Region Russia	—	—	230	230	—	—	—	230	—	—	—	230

	Voluntary contributions				*Cost-sharing contributions*			*Total voluntary and cost-sharing contributions*	*Contributions to sub-trust funds*			*Total contributions due*
	2005 and prior years	*2006*	*2007*	*Total*	*2006 and prior years*	*2007*	*Total*		*2006 and prior years*	*2007*	*Total*	
EEC trust fund/Accelerating CSR Practices in the New EU Member States and Candidate Countries as a Vehicle for Harmonization, Competitiveness and Social Cohesion in the EU	—	—	362	362	—	—	—	362	—	—	—	362
Government Electronic Network (Gov-Net) Phase 2	—	—	36	36	—	—	—	36	—	—	—	36
EEC Trust fund for Strengthening Access to Justice and Confidence Building in Kassala State and Khartoum State	—	—	979	979	—	—	—	979	—	—	—	979
EEC Trust fund for Programa de Recuperacion Ambiental Comunitario para combatir la Desertificacion	—	—	733	733	—	—	—	733	—	—	—	733
EEC Trust fund for Kukes Regional Development Initiative — Phase III	—	—	459	459	—	—	—	459	—	—	—	459
EEC Trust fund for Organisation de l'atelier de demarrage du programme rehabilitation et developpement en Guinee Forestiere	—	—	36	36	—	—	—	36	—	—	—	36
EEC Trust fund for Support to the National Elections in Pakistan	—	—	1 140	1 140	—	—	—	1 140	—	—	—	1 140
EEC Trust fund National Initiative for Civic Education (NICE)	—	—	344	344	—	—	—	344	—	—	—	344
Total of trust funds	**26 603**	**71 906**	**100 061**	**197 599**	—	—	—	**197 599**	—	—	—	**197 599**
Funds												
United Nations Capital Development Fund	—	—	—	—	—	—	—	—	—	—	—	—

	Voluntary contributions				*Cost-sharing contributions*			*Total voluntary and cost-sharing contributions*	*Contributions to sub-trust funds*			*Total contributions due*
	2005 and prior years	*2006*	*2007*	*Total*	*2006 and prior years*	*2007*	*Total*		*2006 and prior years*	*2007*	*Total*	
United Nations Development Fund for Women	—	—	—	—	—	6 182	6 182	6 182	—	—	—	6 182
Total of funds	**—**	**—**	**—**	**—**	**—**	**6 182**	**6 182**	**6 182**	**—**	**—**	**—**	**6 182**
Reimbursable Support Services												
United Nations Volunteers Programme	—	—	4 328	4 328	379	—	379	4 707	—	—	—	4 707
Total of Reimbursable Support Services	**—**	**—**	**4 328**	**4 328**	**379**	**—**	**379**	**4 707**	**—**	**—**	**—**	**4 707**
Grand total	**26 603**	**71 906**	**104 389**	**201 927**	**379**	**6 182**	**6 561**	**208 488**	**—**	**—**	**—**	**208 488**

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